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BRIEF

TO THE

SPECIAL SENATE COMMITTEE ON POVERTY

VOLUME I

Submitted by

The Social Planning and Research Council of Hamilton and District
161 Hughson Street South Hamilton, Ontario

March 12, 1970 PRICE $1.00

Revised - March, 1971

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RECOMMENDATIONS

The recommendations contained in this brief focus primarily on means which will improve conditions for those in poverty. We urge that governments at all levels explore through research and trial projects the means for eliminating poverty in Canada. All Canadians in need should receive the kind of help necessary to bring them beyond the poverty level through an uncomplicated mechanism that does not infringe on the dignity of the recipient.

SOCIAL WELFARE

1. Public assistance grants should not be below the poverty line, and there should be work incentives beyond the poverty line. At least until such time as grants are raised to the poverty line, additional money for public assistance is probably best spent in increasing the size of grants rather than in improving casework services. In no case should receipt of public assistance be dependent upon willingness to accept casework help.

2. The Province of Ontario should cease looking at social welfare as a program for community casualties only. It should adopt legislation making possible programs such as information services and other services for the entire community.

3. The Province of Ontario should pass legislation making it possible for the Province to take advantage of the Canada Assistance Plan in supplementing the incomes of those fully employed in jobs paying less than public assistance. It should also increase the amount that single parents receiving assistance and wishing to work may keep.

4. Public assistance programs at all levels should involve citizen committees and advisory boards on which representatives of recipients are included, and these programs should aim at increasing public appreciation for and understanding of public assistance through providing "community leaders" with opportunities to learn more about public assistance, through use of a program including going on home visits, with the consent of the clients.

5. All public assistance in Ontario should be provided through a single Provincial Department of Social and Family Services or through regional agencies with all operating functions, operating under regulations set down by a Provincial Department. There should be an adequate number of branch offices for accessibility, and public assistance workers throughout the area should be assigned caseloads in accordance with the degree and type of their training and experience. Scholarship help and leaves of absence should be available for public welfare staff wishing educational advancement and capable of utilizing it.

6. Various practices which tend to degrade recipients, such as taking license plates away, paying rent directly to landlords, holding interviews under unfavourable conditions, and asking recipients to be available for home visits over extended periods of time, should be eliminated wherever they occur. Control of client expenditure of money is appropriate only when the client is incapable of handling his money.

7. There should be programs to provide basic adult education for rehabilitation of persons who are not able to read or write at a minimally adequate level or who lack basic arithmetic skills.

8. There is need for more Canadian research in and by public assistance agencies.

HOUSING

9. The Federal Government should gather data about housing on a regular basis for central cities, metropolitan areas and provinces. The data should provide information about vacancy rates and quality of dwelling units, from a sample of all dwelling units, occupied and vacant, rental and otherwise.

10. The Federal Government should cease using housing as an economic regulator.

11. Appropriate levels of government should provide much more public housing and should take measures to increase the quantity of housing. Quantity of housing can be increased through more non-profit and cooperative construction and renovation made possible by low interest and/or no-interest long-term loans, loan guarantees, and grants. Stringent measures to counteract the inflation in land costs can be expected to increase quantity of housing even further.

12. Locally, a single department should be responsible for receipt of complaints related to quality of housing.

13. Quality of housing should be upgraded, using such approaches as tax holidays for improvement of substandard dwelling units and municipal trusteeship of such units.

THE ROLE OF SOCIAL PLANNING COUNCILS

14. As most programs require some degree of adaptation to local conditions, the Government should be aware of the social planning councils as a major resource in making these adaptations. The Government should take steps to make it possible for social planning councils to obtain Federal funds to carry out demonstration projects and to provide a continuing source for the kind of research information which they are in a unique position to supply.

15. Other social planning councils and voluntary agencies generally should become involved in assisting the organization of low-income citizen groups and in involving them more fully in existing organizations.

INTRODUCTION

0.1 This submission to the Special Senate Committee on Poverty will concern itself specifically with problems of poverty in Hamilton and District, the Hamilton Metropolitan Area of the Dominion Bureau of Statistics, consisting of Hamilton, Wentworth County, and Burlington. A well-documented overview of the situation in an industrial community such as ours should be of use in painting a picture of urban poverty. The ramifications of the poverty situation are more than local, involving social policies for the whole Province of Ontario and indeed the whole country. Poverty, except for certain regional situations, is national in scope, both as to cause and as to the solutions which people have proposed. In addition, Canadians are a mobile people, and the poor, along with the rest of us, move from place to place.

0.2 In 1969, between 15,000 and 16,000 families in Metropolitan Hamilton were in poverty. Metro Hamilton is an important urban concentration, the second largest metropolitan area in Ontario, the most populous province. The problems of the Hamilton area are worthy of consideration because in Hamilton we have a modern industrial economic base. This is the steel centre of Canada. It is an area of a high level of economic activity. And it is evidence that such a high level of activity, important as it is, is not by itself the total solution to the problems of poverty. Other areas suffer from a poverty related to economic underdevelopment, a poverty of the past. The poverty existing in Hamilton is the poverty of a modern industrial city, the kind of poverty we can expect in other areas that are in the process of beginning to industrialize. Unless appropriate measures are taken to end poverty, ours is the poverty of the future, the poverty of a developed region.

0.3 The Social Planning and Research Council of Hamilton and District has been concerned with poverty since its inception in 1959. Poverty is at the heart of the problem of ordering priorities in the social welfare field. Concerned citizens sitting together to examine one facet or another of community services identify unmet needs and attempt to mobilize resources to meet them. In many instances, the needs are those of people without money. More recently, the Social Planning and Research Council has undertaken the task of assisting low income people to organize themselves, to work on their own concerns and set their own priorities. This work in organizing low income people is discussed briefly in the chapter on "The Role of Social Planning Councils in Dealing with Poverty".

0.4 What is poverty? Who is poor? What can be done to alleviate poverty? To eliminate it? Each of these questions has been discussed at great length in studies, essays, surveys, etc. An effort to provide definitive answers to all or any of these in the small brief submitted by the Social Planning and Research Council of Hamilton and District would be presumptuous.

0.5 The staff of the Canadian Welfare Council submitted a statement in June, 1969, outlining the issues surrounding poverty. They pointed to the way in which public attitudes affect anti-poverty policies, the social rights of men as they relate to poverty, provided a definition of poverty, and discussed its causes and approaches to combating it. Rather than attempting to rephrase what they say in their broad outline, we will attempt to focus on some specific aspects of poverty.

0.6 In the first section of this brief, we will attempt to define in financial terms what poverty is in Hamilton and District. Then we will discuss how widespread the condition is.

0.7 Following this, we will present material about problems in housing the poor, with some discussion of possible solutions, about public assistance, with proposals for changes in policies at various governmental levels, and about the role of social planning councils in dealing with problems related to poverty.

0.8 In a later submission, we will report on a survey of low-income families in Hamilton, providing information about their housing conditions, their reliance or non-reliance on public assistance, their attitudes toward their situation, etc. This survey material has programmatic implications, with which we will deal.

0.9 Hopefully, the wide public interest on the question of poverty and the stimulation of this interest which the Special Senate Committee on Poverty has induced will lead to further information-gathering surveys, including some specifically dealing with such problems as aging.

0.10 It is our fervent hope, however, that the interest of the Special Senate Committee and the efforts of those who have made submissions to you will have impact beyond research and reports, into areas of new policy and its implementation.

CHAPTER 1

A WORKING DEFINITION OF POVERTY

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1.1 In attempting to develop a working definition of poverty, the first thing we must bear in mind is that a highly precise definition is impossible. Economic deprivation and inequality are in their nature matters of degree: accordingly, one cannot fix precise levels below which there is poverty and above which there is not. Furthermore, while it is relatively easy to measure income and expenditure levels, the more subjective aspects of poverty are much more difficult, perhaps impossible, to quantify. Finally, since poverty is considered to be an undesirable state, an element of value judgement is involved when we attempt to delimit it.

1.2 In spite of these difficulties, however, working definitions of poverty are necessary. If we want to learn anything of the extent of poverty, the types of people who suffer from it, and the effectiveness of public programs in dealing with it, we require some method of determining who is poor and who is not. We do not need an absolutely precise standard, but we do need a definition that can serve as a basis for reasonable policy decisions. This is what we have attempted to develop.

MEASURES OF POVERTY

1.3 Measures employed in recent analyses of poverty have fallen into two basic categories - deprivation measures and inequality measures. Each type has particular characteristics which should be examined.

Deprivation Measures

1.4 The deprivation measures are based on a conception of poverty as a state in which essential goods and services cannot be purchased. In any given society, the cost of a minimum standard of living can be specified and these costs will determine the poverty lines for that society. While there is a strong element of value judgement involved in determining which goods and services should be available, and in what quality, it has proved possible in this way to arrive at poverty lines which have received wide recognition.

1.5 The commonest of these procedures is to establish minimum family budgets. This is done by welfare departments and consumer counsellors universally. But since price levels, as well as specific items required, will vary from one place to another, other, less detailed approaches must be used over larger regions. These are generally prepared by estimating the costs of some essential purchases, then multiplying by an appropriate factor to get a minimum level of necessary income.

Inequality Measures

1.6 The inequality measures are based on the assumption that poverty is a relative thing, which cannot be considered apart from the society in which it occurs. Poverty in a highly advanced industrial economy is something quite different from poverty in a non-industrialized, agrarian society. Those who are considered to be poor in the first case would be considered wealthy in the second. But, within either kind of society, the thing that defines a person as poor is simply that he is less well off than others. Since this is the case, the extent of poverty should not be measured against a standard of living scale but should rather be interpreted in terms of the distribution of wealth within the society. There is as yet, however, no widely accepted conception of the kind of distribution that would signal the end of poverty.

1.7 Several measures of income inequality have been used in recent poverty studies. One common criterion of inequality is the distribution of income by population quintiles. That is, the proportion of income received by the top twenty percent of earners is compared with the proportion received by the next twenty percent, and so on. Another method is to divide the income received by the earner at the top of the second quintile by the income received at the bottom of the fourth. The higher the ratio, the greater the inequality. A third procedure is to note the percentage of earners receiving less than a given proportion of the median income. Other related measures are used.

USES OF MEASURES

1.8 While we have laid out the two types of measures in such a way as to illustrate their differences, it should also be noted that they have a good deal in common. For example, in developing a deprivation measure one of the criteria that will be employed is the prevailing standards of the community. As these rise or fall, so does the concept of a minimum adequate standard of living. Thus, considerations of equality find their way into the deprivation measures. On the other hand, in order to specify an income distribution which would imply the elimination of poverty, one would have to answer the question of whether it meant elimination of deprivation. One would also expect that the two types of measures would be strongly related empirically. For example, if the incomes of those below the poverty line, according to a deprivation measure, are increased, the distribution of income will become more even. Or, if the proportion of income received by the lowest income earners increases, the numbers in poverty, by a deprivation measure, may be expected to decrease.

1.9 Although the two types of measure have a great deal in common, each has specific advantages. Deprivation measures highlight the economic difficulties of the poor in a concrete and, hence, understandable way. They make it possible to indicate how much the incomes of the poor would have to be raised in order for specified living standards to be achieved. They also set standards below which incomes should not be allowed to fall,

whatever the overall distribution of income may be. Inequality measures call attention to invidious distinctions made on the basis of economic status. They remind us that there is a matter of will involved in bringing people out of poverty - the cost will have to be borne at the middle and upper levels of income. They remind us also that there is another standard by which adequacy of incomes may be judged than that of simple deprivation, namely that of equity.

1.10 It is interesting to note that while the two types of measure appear to be complementary, the most widely recognized poverty measures in North America have been of the deprivation type. Some possible reasons for this might include: 1) deprivation measures can be made more concrete and hence more memorable; 2) it is politically strategic to talk about "eliminating deprivation" rather than "redistributing income"; 3) some feel that our attention should be focussed on the acutely painful problems of deprivation rather than on the more general question of inequality; 4) it is easier to obtain agreement on what constitutes deprivation than it is to get agreement on how income ought to be distributed.

DEVELOPING POVERTY LINES FOR HAMILTON

1.11 In the course of our analysis of poverty in Hamilton, we have made use of both inequality and deprivation measures where we have believed them to be useful. But in order to maintain comparability with the generally recognized North American standards and to provide a basis for the sample for our survey of low-income families, we have made special efforts to develop a definition based on deprivation criteria.

1.12 In order to achieve some comparability with national figures on the extent of poverty, we have attempted to develop poverty lines for Hamilton in 1969 in a form similar to the 1961 poverty lines, developed in a census monograph, and later employed by the Economic Council of Canada. These were based on the criterion that a family which has to spend 70% or more of its income for adequate food, clothing and shelter, should be considered to be in poverty. The 70% figure was based partially on the empirical discovery that families tended to spend somewhat over 70% of their income on these three necessities at the lowest levels of income, and that this declined only slowly over a considerable income range before it began to fall off.* This was interpreted to mean that families tend to spend close to 70% (or more) of their income for these necessities to the point where they feel they are provided in a minimally satisfactory way. Only then does the proportion drop. According to this interpretation, the level of income at which the percentage spent on food, clothing and shelter begins to fall off from 70% is a good indicator of the upper limits of poverty. An underlying assumption in this approach, it should be noted, is that low income families allocate their resources effectively.

*This pattern appeared in the Dominion Bureau of Statistics City Family Expenditures Survey of 1957. It has also appeared in American studies.

1.13 While we could not draw on survey data for Hamilton to determine the rates at which the percentage of income spent on food, clothing and shelter declined, it was possible to carry out an analogous procedure. It was possible to get an indication from staff of the Public Welfare Department of the expenditure levels at which the low income families with which they came into contact felt they had received a minimum adequate standard of living. The cost of food, shelter and clothing could then be set equal to 70% of the income needed to bring the family to the poverty line.

1.14 There are two significant differences between our approach and that of the Economic Council. The first is that in replacing survey data with welfare workers' experience, we are forced to accept a non-random sample of low income people as our "judgement panel". One's concern on this point might be largely alleviated, however, by the sheer number and variety of cases with which a welfare department must deal. The second difference is that, rather than inferring standards of adequacy from expenditure patterns, we are relying on what has been expressed to welfare department workers. There are problems in each approach, but there appears to be no ready way of determining their different levels of accuracy. On balance, it would appear that while these two differences must be noted, the two systems have fundamental features in common and one might expect there would be strong relationships between the poverty lines developed from them. We will attempt to indicate more clearly their degree of similarity once we have outlined our own method in more detail.

1.15 A more important issue is the question of whether the 30% of income not allotted to food, clothing and shelter is adequate to cover other family needs - health care, school expenses, transportation, recreation, insurance, etc. These are all important elements in family budgeting and a fully adequate income would have to make it possible for these needs as well as food, clothing and shelter to be properly met. Further, in a healthy budgeting situation it would be possible to build up at least a small amount of savings for emergencies.

1.16 For lack of time, we have been unable to work out what alterations would have to be made in our definitions of poverty to take account of these needs. That is, for example, while it would be possible to estimate health care or insurance costs for families of different sizes, it would be much more difficult to determine what proportion of income ought to remain after these needs, along with food, clothing and shelter, had been provided for. There would no longer be a rationale for setting the needs allowed for equal to 70% of income, and to develop an alternative procedure would be very time-consuming. Even if this had been done, the difficulty would have arisen that our standards would have lost comparability with national standards. Accordingly, we have chosen to remain with the system we have outlined above, remembering that a detailed study of the adequacy of the incomes it suggests has not been carried out.

COSTS OF THE THREE BASIC NEEDS

1.17 In drawing up our estimates of the income required for minimum adequate living standards, we have assumed: 1) that the welfare allowance for food and clothing is approximately equal to the amount felt by low income consumers to be sufficient for food; 2) that welfare housing allowances represent the minimum satisfactory amount for housing; 3) that the estimates prepared by the welfare department teaching home economists represent the minimum satisfactory amount for clothing. Each of these assumptions will require some comment.

1. FOOD

1.18 The Hamilton Public Welfare Department has advised us that those who use the standard allowance for food and clothing for food alone generally feel that they have a satisfactory diet, but that their clients generally find it difficult to set aside much of the allowance for clothing. Accordingly, we have set our minimum figures for food equal to the standard allowance for food and clothing. This is not to say that a nutritionally adequate diet cannot be obtained for less. Many families, who are unable to avoid high expenses for other things, manage to reduce their food expenditures below this level without sacrificing nutrition. But there is clearly no room for easy living in the figures as they stand. For a family of four, the sum we have allotted is $137. (This is at the median of the allowances set for families of four, which vary according to the age of the children.)

2. CLOTHING

1.19 We have again followed the Welfare Department's advice in setting our figures for clothing. In doing so, we have set a number of criteria which should be spelled out.

1) It has been assumed that all clothing is purchased at "standard" rates. That is, the mother does not buy material and sew the clothing herself. Nor is it purchased, for example, through the St. Vincent de Paul Society or the Harbour Rescue Mission, or obtained from relatives.

2) It has been assumed that hand-me-downs will have a negligible influence. Some assumptions had to be made as to the prevalence of this practice in estimating clothing costs. Since for at least a majority of smaller families, hand-me-downs can be used to only a quite limited extent, it was decided to make the simplest assumption possible - that they should be considered negligible in setting the basic estimates of clothing costs.

1.20 On this basis, the allowance for a family of four comes to $500 a year.*

3. HOUSING

1.21 There is some question as to the adequacy of housing available at the budgetary level permitted by Ontario welfare regulations. It is the experience of the Hamilton Public Welfare Department that most of its clients manage to obtain housing at, or slightly above, the standard allowance. ($95.00 per month, plus utilities, for a family of four) However, as we have argued in the housing section, a significant proportion of this housing appears to be inadequate.

1.22 The difficulty has to do with the amount by which the welfare allowance would have to be raised to provide proper quarters for those who are now inadequately sheltered. This would be possible, although not easy, provided that rents were closely related to quality, and provided that there was an adequate stock of low cost housing in existence. But neither proviso appears to hold true. Officials of the Hamilton Assessment Department have reported that the relationship between assessed value and rental is very weak. On the one hand, the sheer unavailability of low rental housing has made it possible for rents on substandard units to rise in many cases to virtually the same levels as those for more adequate units. At the same time, there appears to be a good deal of variation in price for units at about the same quality level, although this does not appear so much in the market because the "bargain" units are less likely to become vacant. Because of the ineffectiveness of the market in relating price to quality, we have been unable to determine what alterations should be made in the welfare housing allocation to take account of problems of quality. Rather than make an alteration in the absence of any clear indication of what it should be, we have chosen to remain with the official allowance, remembering that this should be taken as a minimum adequate figure.

1.23 When the respective figures for food, clothing and housing had been arrived at for each family size, they were added together and the sum was multiplied by 10/7. This yielded the basic poverty income for each family size. However, it was decided not to leave the figures in this form but rather to determine what the family income would have to be, in the modal case, if family allowances and income taxation were taken into account. To simplify our calculations, we assumed that the income was earned by a single earner. No allowances have been made for fringe benefits, because these vary considerably among employers.

*It is recognized that these, like expenses for food, will vary considerably according to the age of the children. But in order to keep our measure simple, an average figure has been used. In this case, approximately the cost for a family with a twelve year old girl and a nine year old boy.

1.24 Once these calculations were made, the figures were rounded to the nearest $100. The final figures are seen in the Table below.

POVERTY LINES FOR HAMILTON IN 1969 BY FAMILY SIZE

A single person	$2,200
2 person family	$3,200
3 person family	$4,100
4 person family	$4,800
5 person family	$5,600
6 person family	$6,300
7 person family	$7,000
8 person family	$7,700

1.25 As we tried to indicate, these poverty lines are by no means perfect indicators as to the economic status of families. Any particular family may require more or less income. Such factors as subsidized housing or a wife's ability to sew will make it easier for one family. Unusual health expenses or losses not covered by insurance will make it more difficult for another. The ages of children will affect the income requirements for all families. But the poverty lines we have set out do provide a general idea of the kind of income that is usually required to live at a minimum adequate standard. We have used them in that sense throughout the brief.

CHAPTER 2

SOME GENERAL FEATURES OF POVERTY

IN METROPOLITAN HAMILTON

CHAPTER 2

SOME GENERAL FEATURES OF POVERTY IN METROPOLITAN HAMILTON

2.1 In this chapter we have brought together most of what can be learned about poverty in the Hamilton area from previously published material, together with comparative data for Ontario and for Canada. While some of the topics treated here will be examined in more detail as we analyze the returns from our survey, it has seemed appropriate to present an overview of previously available material to establish a context for our own findings.

THE PREVALENCE OF POVERTY

2.2 The first question we must attempt to answer is that of the extent of poverty. In the preceding chapter, we have outlined a series of poverty lines for 1969. These will be applied to the estimated distribution of income for 1969. But most of the income data for Metropolitan Hamilton, and for the rest of Canada as well, comes from 1961. Accordingly, both to determine what progress we have made, and to make comparisons, we will want to employ a series of poverty lines applicable to 1961 data.

2.3 The obvious choice is the series of poverty lines employed by the Economic Council of Canada. Since national and provincial estimates of the prevalence of poverty have been made in terms of these, they will provide a ready basis for comparisons. But before employing them, it will be useful first to indicate how they compare with our own poverty lines for 1969, which were developed in an analogous way.

2.4 Perhaps the best comparison is to project our own figures backwards to 1961. This requires us to compensate for inflation (approximately 25% by the Consumer Price Index) and to remove our alterations for income tax and family allowances. Neither of these was taken into account in setting the Economic Council's standards. The results of this approach are seen in Table I.

TABLE I

Poverty Levels of the Economic Council of Canada compared with S.P.R.C. Poverty Lines for Hamilton

	Economic Council of Canada	S.P.R.C. (expressed in 1961 dollars)
A single person	$1,500	$1,600
2 person family	2,500	2,500
3 person family	3,000	3,200
4 person family	3,500	3,800
5 person family	4,000	4,500

2.5 It appears that the major difference between the two approaches is that ours makes greater allowance for additional family members. It can be seen from Table I that for a family of two the figures are identical, but that for a family of five there is a difference of $500. Furthermore, the Economic Council did not extend its poverty lines to apply to larger families but employed the same standard for all families of five or more. We, on the other hand, have extended our own poverty lines to provide separate standards for families of up to eight.

2.6 The result of this is that by our approach more families, particularly larger families, will be found in poverty. In order not to be misled by this difference, we have made comparisons to national and provincial figures for 1961 entirely in terms of the Economic Council's system. When, on the other hand, we have wanted to make comparisons between 1961 and 1969 in our own area, this approach has had to be modified.

TABLE II

Percentage of Families in Poverty by Family Size for Metropolitan Hamilton, Ontario and Canada, 1961*

Number in Family	Canada (non-farm population)	Ontario (non-farm population)	Metro Hamilton
2	30	24	23
3	22	15	13
4	22	17	14
5	29	22	20
6 or more	33	25	26
Total	27	20	17

*Figures for Canada and Ontario are based on Table C-10, Bulletin 4.1-3 of the 1961 Census. Hamilton percentages are estimated from 1961 data as outlined in Appendix A.

2.7 Table II shows the percentages of families below the Economic Council's poverty lines for Canada, Ontario and Metro Hamilton. It can be seen from this Table that Metro Hamilton is more fortunate than the national non-farm population at all family sizes, and more fortunate than the Ontario non-farm population for all but the largest family sizes. It

is interesting to note in comparing the Ontario non-farm population with Metro Hamilton that the differences are smallest with the two-person families at one end, and the six-or-more person families at the other. This might be interpreted to mean that these are the size groups where the relatively high income levels of the Hamilton area make the least impact. Two-person families are, in many cases, retired couples, on whom the high prevailing wage level will have limited impact. Among large families, there are many cases where the family is so large in proportion to the occupational skills of the head that the relatively high wage level for Hamilton will not suffice to bring them near the poverty line, let alone beyond it. Whatever the explanation for this phenomenon may be, the most salient feature of the table is that for all families only 17% in Metropolitan Hamilton are in poverty, compared with 20% in Ontario, and 27% in Canada.

2.8 A partial explanation of the lower percentage of poor families in Hamilton is simply that income levels are higher. Table III indicates that Metropolitan Hamilton family incomes are higher than Canadian non-farm incomes across the range from the tenth to the ninetieth percentile, and that up to the fiftieth percentile the difference is of the order of $700.* Metro Hamilton incomes are also higher than Ontario non-farm incomes until almost the ninetieth percentile. Up to the fiftieth percentile, the difference is between $250 and $300.

TABLE III

Family Income Distribution, by Selected Percentiles, for Metropolitan Hamilton, Ontario and Canada, 1961**

	P_{10}	P_{25}	P_{50}	P_{75}	P_{90}
Metro Hamilton	2,329	3,833	5,377	7,168	9,672
Ontario (non-farm population)	2,073	3,547	5,096	7,036	9,740
Canada (non-farm population)	1,679	3,122	4,680	6,656	9,442

**Percentiles have been interpolated from data recorded in intervals ordinarily of $500 or $1,000. Hamilton figures are based on Table C-5 of 1961 Census, Bulletin 4.1-3. Other figures are based on Table C-10 of the same bulletin.

*A percentile is any one of 100 points which divide a series into 100 equal units. Thus, for example, the tenth percentile (P_{10}) divides the bottom ten percent of an income distribution from the upper ninety percent.

2.9 The fact that the ninetieth percentile of family income for Ontario is higher than that for Hamilton, while at other points in the table Hamilton is higher than Ontario, reflects another important feature of the Hamilton income distribution. Not only is it higher than average but it is also more equally distributed. This affects the prevalence of poverty because the more compact the income distribution, the fewer there are who will drop below the median to the poverty lines.

2.10 One way of examining this more closely is to consider the relationship between the twentieth and eightieth percentiles of household income. Here we have expressed the relationship 1) by considering P_{20} as a proportion of P_{80} and 2) by setting $(P_{80}-P_{20})/P_{50}$.

TABLE IV

Two Measures of Household Income Dispersion for Metro Hamilton, Ontario and Canada, 1961

	P_{20}	P_{80}	P_{20}/P_{80}	$(P_{80}-P_{20})/P_{50}$
Metro Hamilton	3,208	7,657	.42	.84
Ontario (non-farm population)	2,641	7,483	.36	1.00
Canada (non-farm population)	2,241	7,016	.32	1.30

2.11 It is clear from Table IV that by these measures the income distribution of Hamilton is notably more compact than that of the Province or of the nation. Perhaps it might be useful, however, to put this in a broader context. Table V shows the relationship P_{20}/P_{80} for a number of industrialized nations.

TABLE V

Equality of Household Income Distribution as Measured by P_{20}/P_{80} for Selected Nations*

Nations	P_{20}/P_{80}	Rank (in order of equality)
Canada (non-farm population)	.32	4
Sweden	.57	1
United Kingdom	.48	2
United States	.30	5
West Germany	.35	3

*The data from different countries was collected in different years, but all data in this table come from the period 1960-1962. Figures other than that for Canada are taken from J.H. Chandler, "An International Comparison", Monthly Labor Review, U.S. Department of Labor, February, 1969, page 56.

2.12 It would appear from this chart that Hamilton's relatively compact income distribution would seem much less even in Sweden or the United Kingdom. But it would bear a similar relationship to the national figures in the United States or West Germany. It might be argued that Canada cannot differ too widely from the United States without risking emigration of professional and technical manpower, but it would appear that other industrial nations have been able to develop considerably more compact income distributions.

2.13 In any case, Metro Hamilton's position in Canada has been a quite favoured one. It has much lower percentages in poverty than the nation as a whole, at all family sizes, and a lower percentage than Ontario, at all but the largest family sizes. This reflects higher family incomes and a relatively compact income distribution.

CHANGES IN THE EXTENT OF POVERTY

2.14 A more important question than the extent of poverty is the extent of our progress in eliminating it. It is difficult to measure this because we do not have directly comparable material from different points in time. But we can, at least, get a general impression of what has been occurring.

2.15 This requires us, first of all, to modify the Economic Council's poverty lines for 1961 to make them more comparable to our own for 1969. While other changes might be introduced, we are making only one. We are increasing the poverty lines for families of six to eight by the same amount per person by which they were increased for families of two to five. Thus, the poverty lines for a family of six will be increased to $4,500, for a family of seven to $5,000, and for a family of eight or more to $5,500. These adjustments will help considerably to bring the Economic Council's poverty lines into harmony with our own. Even granted these alterations, the rate of increase for each additional person in our system of measurement is higher than in the Economic Council's. Some alteration could have been made to allow for this, but it was unclear to what extent it represented peculiarities in the Hamilton situation, to what extent it represented changes between 1961 and 1969 in the additional income required for additional persons, and to what extent it resulted from differences in the ways in which the two sets of poverty lines were drawn up. Accordingly, we have made no allowances for this.

2.16 What must be noted is that the re-adjusted poverty lines for 1961 will provide a lower estimate of the extent of poverty than a series of poverty lines which rose as rapidly with family size as our 1969 lines would have given. This will result in a smaller decrease in the percentage of families in poverty between 1961 and 1969. Nevertheless, this will not seriously distort our general view of the changes that have taken place.

TABLE VI

Percentages of Families in Poverty by Family Size for Metro Hamilton, 1961 and 1969 (est.)*

Size of Family	1961	1969***
2	23	14
3	13	9
4	14	8
5	20	12
6	30	19
7	50	32
8+	69	52
All families	19**	13

* Methods of measuring the percentages in poverty for 1961 and 1969 are indicated in Appendix A.

**This differs from the 17% figure in Table II because of the changed poverty lines for families of six or more.

***Figures for families of five or more differ slightly from those presented in our earlier version of the table. The figures given here are correct.

2.17 It is clear from Table VI that quite dramatic reductions have occurred in the percentages of families in poverty. The total has declined from 19% to 13%. The sharpest proportional decline took place among four person families. The largest decrease in percentage points took place among seven person and eight-or-more person families, 16% and 15% respectively. The latter figures would have been higher, of course, if the poverty lines for 1961 had been modified so as to rise as rapidly with family size as the 1969 lines.

2.18 Another way to look at this, is to see what proportions of all families in poverty are contributed by families of different sizes.

TABLE VII

Percentages of All Families in Poverty Contributed by Families of Different Sizes, Metro Hamilton, 1961 and 1969

Size of Family	1961	1969
2	32	34
3-5	45	42
6+	23	23
Total	100	99*

*Percentages do not add to 100 because of rounding.

2.19 Table VII indicates that larger proportions of the poor in 1969 than in 1961 come from two-person families, and smaller proportions from families of three to five. Since many of the two-person families in poverty are retired couples, the two-person families have not benefitted as much from rising wages as the other groups. The six-or-more person families were frequently farther below the poverty line in 1961 than the three-to-five person families and hence were less likely to be removed from poverty.

Absolute Numbers

2.20 The decline in the percentage of poor families from nineteen in 1961 to thirteen in 1969 has not, of course, resulted in an equivalent decline in the numbers of the poor. While we do not have an accurate

figure for the number of families in Metropolitan Hamilton for any year beyond 1966, it would appear that, on the basis of population growth, the figure is in the neighbourhood of 120,000, just over 20% more than in 1961. The decline in the numbers of the poor in our area has been proportionately lower than the decline in their percentage of the population. In 1961, just under 19,000 families fell below the poverty line. For 1969, the figure can be estimated at between 15,000 and 16,000.

SOME GENERAL CHARACTERISTICS OF THE POOR

2.21 It is unfortunate that we can gain very little direct information on the poor from existing statistical material. There is a good deal of data, which is broken down by income levels and a smaller, but substantial, body which is broken down by family size. But very little is available in terms of both dimensions. We have, however, been able to bring together some useful data on the kinds of people who are likely to be in poverty and the geographic areas in which they are concentrated.

2.22 Perhaps at this point, we should return our attention to Tables VI and VII, which throw interesting light on the relationship of family size and poverty. Table VI indicates that the percentage of families in poverty rises rapidly among families to over 50% for families of eight persons or more. But this should not lead us to develop a stereotype of poverty as a phenomenon particularly found among large families. Table VII indicates that more than 3/4 of the families in poverty consist of five persons or less.

2.23 A similar phenomenon appears with other characteristics. For example, while higher than chance proportions of poor families do not have heads in the labour force, the vast majority do. Table VIII indicates the percentage of poor families which are headed by wage earners. (A wage earner is defined, for census purposes, as a person who has worked for wages or salary in the week preceding the census.)

TABLE VIII

Percentages of Families in Poverty with Wage Earner Heads, by Family Size for Metropolitan Hamilton, 1961 and 1969

Family Size	Percentage Headed by a Wage Earner	
	1961	1969
2	34	29
3-5	91	92
6+	94	94
All families	74	71

2.24 Table VIII indicates that only in the case of two-person families is there a preponderance of families without a wage-earner head. The two-person families, of course, are biased by the presence of a larger proportion of retired couples.

2.25 It should be noted that the percentage of wage-earner families declined between 1961 and 1969 from 74% to 71%. This is presumably a reflection of the fact that rising wages have removed a significant number of wage earners from poverty, leaving a higher proportion of non-employed among the remainder. This effect has only been notable among two-person families, but in this case it has been very pronounced. The percentage of wage-earner heads has declined from 34 to 29. This would seem to reflect the fact that two-person families where the head was working were likely to have been only a short distance below the poverty line in 1961, whereas, for larger families, the distances were often considerably greater.

2.26 There are two respects in which this table should not be misconstrued. First, it does not give a precise indication of the proportion of families with heads in the labour force, because the self-employed are not included. However, the extent of poverty among families with heads in the labour force who are not wage earners will be very low. The largest groups in the excluded category are retail businessmen, independent professionals, owners of construction firms (large and small), and farmers. With the exception of farmers, for whom no precise income information is available, all of these groups have well above average earnings. But, nevertheless, the percentages given here will be somewhat low as indicators of the proportion of poor families with heads in the labour force.

2.27 The other possible misinterpretation would be to assume that a wage-earner family head must be regularly employed. In order for a family head to be listed as a wage earner for census purposes, he had only to be receiving wages or salary in the week preceding the census. But the number of people with unstable employment will be higher than the number who are not employed in a given week (particularly in mid-summer when the census is taken). Another consideration is that an unknown percentage of wage-earner family heads will be working only part-time. Nevertheless, it can still be said that the preponderant majority of all but the two-person families in poverty are headed by a person who participates in the labour force.

2.28 We cannot determine from this what proportion of poor families are reliant on governmental support for a major part of their income. But we can get some indication from census material projected to 1969 and from agency statistics. From census material it can be estimated that, among the fifteen to sixteen thousand families living in poverty in

Metropolitan Hamilton in 1969, there are approximately 3,000 retired couples.* It is estimated by the administrators of the regional office of the Department of Social and Family Services that in the Metropolitan Hamilton area there are around 2,750 families receiving pensions from them. At a given time, somewhere between 6,000 and 7,000 cases will be on Public Welfare rolls in the district. While we cannot be sure of the overall annual income of the families who receive short-term assistance from a municipal welfare agency, it is clear that in many cases these families would, over the year, remain in poverty.

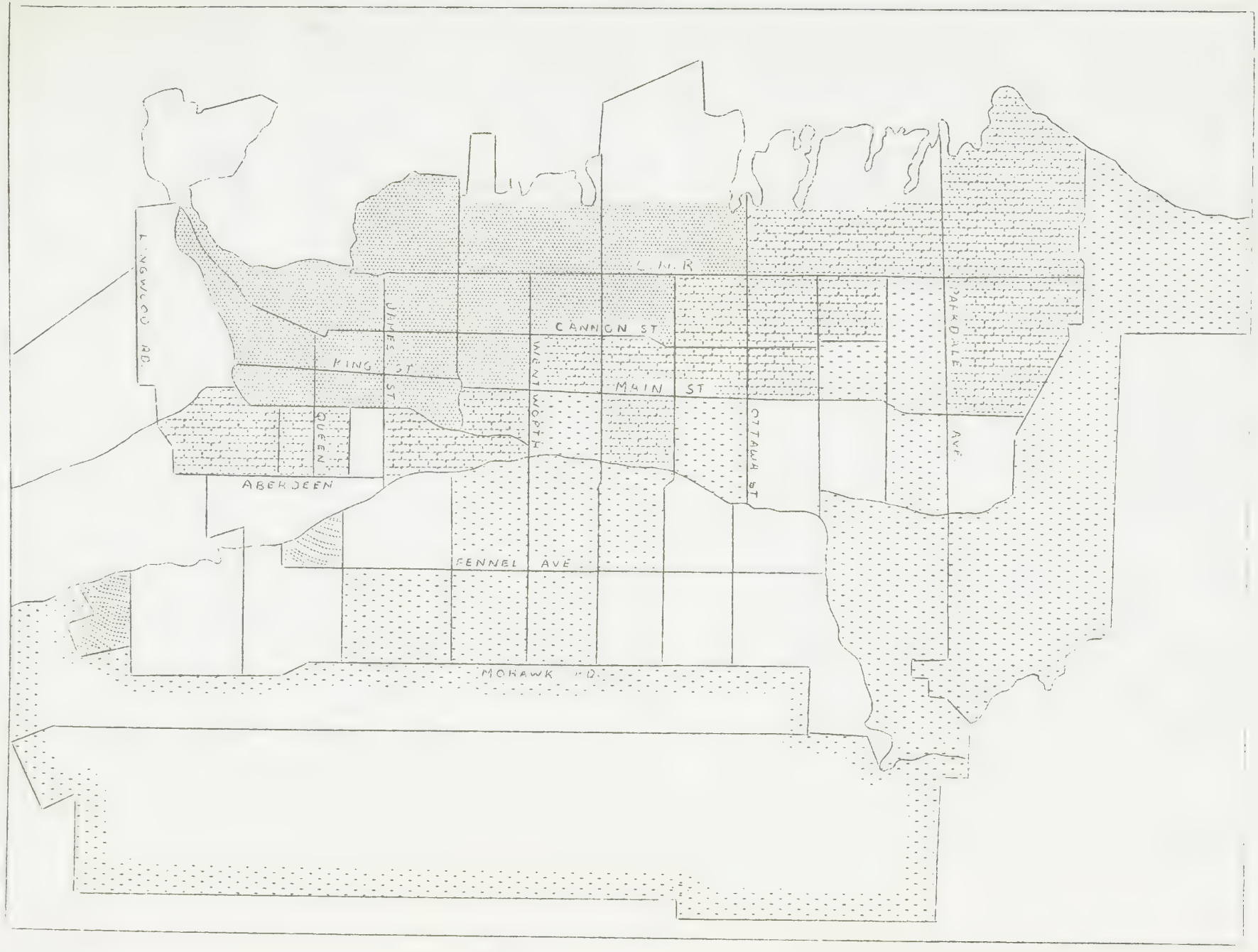
2.29 While these figures do not give a precise indication of the proportion of the poor who receive governmental income support, they do provide the general impression that the proportion who must rely on at least some governmental assistance is relatively high. If we include only the retired couples and those receiving allowances from the Department of Social and Family Services, the figure is already 35%. If we make some estimate of the proportion of those receiving assistance from public welfare departments, the figure will go higher. It will also increase in terms of programs administered through other sources, for example, Workmen's Compensation payments.

GEOGRAPHIC DISTRIBUTION

2.30 While the census does not provide a clear indication of the geographic distribution of families in poverty, it does provide an indication of the location of families whose heads have relatively low incomes. A clearer picture of the distribution of the poor will emerge from our survey. But a preliminary analysis of data from it indicates that the distribution of the poor is heaviest in the areas where the lowest wage-earner family head incomes are found, and lightest where the highest wage-earner family head incomes are found. Accordingly, we have prepared a map showing the levels of wage-earner family head income for the City of Hamilton in 1961, which will give a good general indication of the areas in which the poor are most heavily concentrated. It will be seen that low income areas are concentrated in the north end of the city and the downtown area. When further data from the survey are available, we will be able to make further statements in this respect. (The map is found on page 20.)

*It should be noted that since the advent of guaranteed income supplement, these couples should not be living a great deal below the poverty line. When one considers that in these circumstances income tax often need not be paid on either the old age pension or the supplement, and that some services, such as public transportation, are available at reduced rates, it would appear that, in actual purchasing power, these couples should not be very far below the poverty line. This is not to suggest, of course, that their economic circumstances are comfortable. They are not. But these families are not as far below the poverty line as many other...

AVERAGE INCOME OF WAGE EARNER FAMILY HEADS BY CENSUS TRACTS
1961



3712 and below

3713 to 4220

4221 to 4788

4789 and over

data not available

2.31 A precise picture of the distribution of poverty over different parts of the Metropolitan Hamilton area cannot be obtained from census material. But figures on family incomes are available, which indicate that in 1961 median family income in the City of Hamilton was $5,119, compared to $6,047 in the rest of the Metropolitan area.* We do not know what differences there may be between Hamilton and the rest of the area in the distribution of income by family size, but on the assumption that the only differences result from differences in income levels and family size, we can roughly estimate that in 1961 twenty-one percent of the families in Hamilton were in poverty, compared to fourteen percent for the rest of the area.**

2.32 We have also prepared a map indicating the distribution of rates of juvenile delinquency, as measured by the number of occurrences recorded in police files. It will be noted that the rates seem to be highest in low income areas. This should be considered illustrative of the kind of social phenomenon which is often found in areas with high poverty concentrations, although not necessarily among families who are themselves in poverty. In other cities, such variables as alcoholism and schizophrenia have also been found to be more prevalent in poverty areas. But, in Hamilton, we have no evidence to indicate clearly the extent to which this is so. In any case, the correlation between low income areas and juvenile delinquency, at the very least, suggests that other social problems might be found to be concentrated in low income areas here as they have been elsewhere. (Juvenile Delinquency Map on page 22.)

POLICY IMPLICATIONS

2.33 The data we have presented bears an important relationship to social policy. We will be using it, together with the findings of our survey, to develop recommendations for reducing the extent of poverty in the Hamilton area. There are, however, some aspects of the data which bear sufficient notice that we are commenting on them here, although we have not yet formulated recommendations based on them.

1. Retired Couples

2.34 Close to 20% of the poor families in Metropolitan Hamilton appear to be retired couples. Since the coming of the guaranteed income supplement, these couples cannot be as far below the poverty line as many others, but, nevertheless, there is a very real problem here. Since one cannot expect retired couples to obtain employment, poverty in this group must be primarily dealt with through income support programs.

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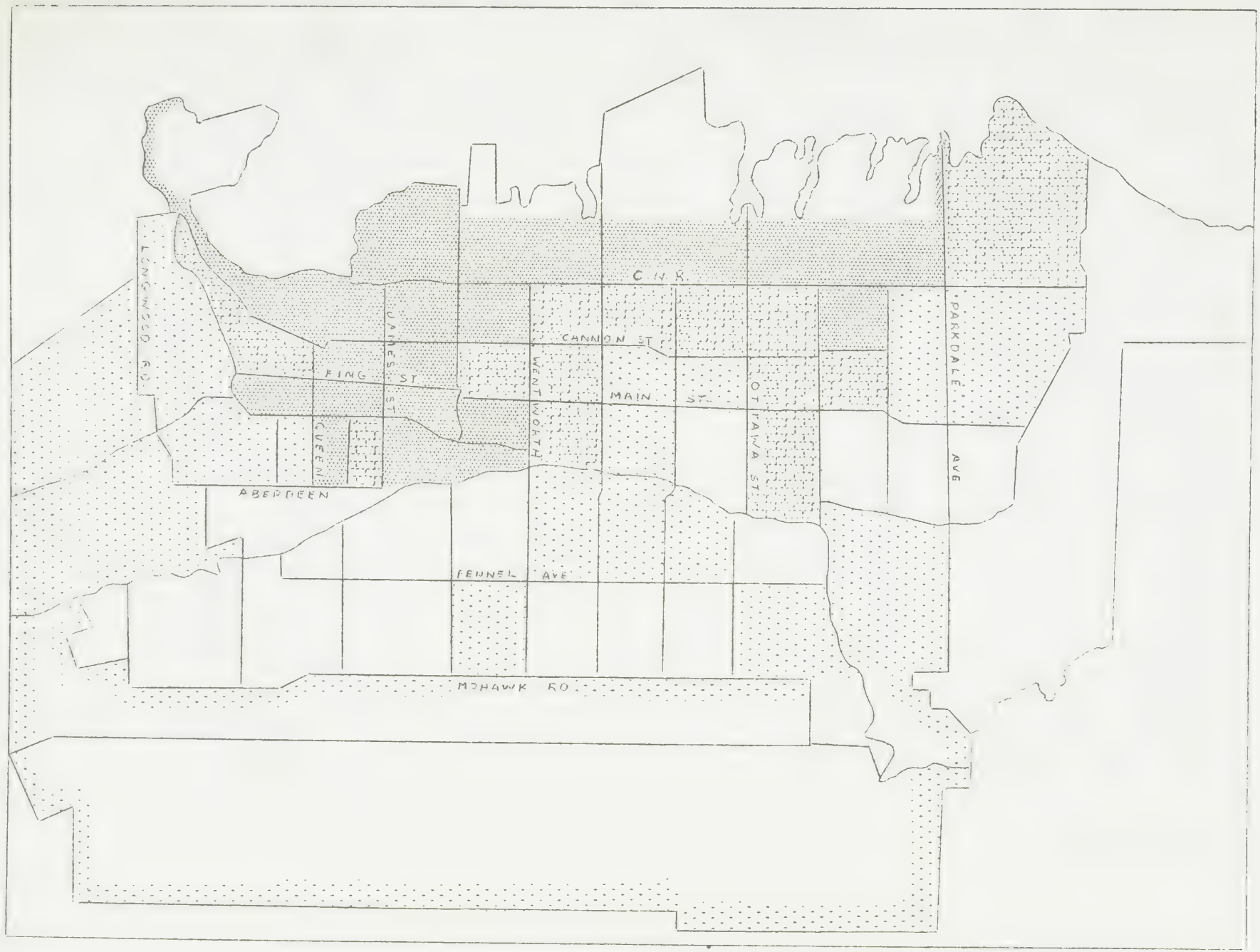
* These figures were interpolated from data in Table C-5, Bulletin 4.1-3.
**These estimates are based on the poverty lines for 1961 used in preparing Tables VI to VIII.

JUVENILE DELINQUENCY BY CENSUS TRACTS
1962



2. Larger Families

2.35 The percentage in poverty increases rapidly with family size, rising to over 50% in eight-or-more person families. This reflects two "obvious" factors, and a third, more subtle one. First, at any given income level, the more children a family has the more difficult its financial situation is liable to be. Second, the larger the family, the less likely it is that the wife will be able to work. The third, less obvious factor, is that the practice of birth control has, in the past, varied considerably in terms of education. The extent to which this is true today is an open question.* But the high concentration of poverty among larger families does imply a need for careful consideration of more adequate birth control programs, bearing in mind that these must be acceptable to those they are attempting to serve.

3. Geographic Distribution of the Poor

2.36 It is often said that in our kind of society the poor are invisible. This partially reflects their concentration in areas where middle and upper income people are relatively few. In terms of policy, what this is liable to mean is that the people who exercise a dominant influence will have little contact with poverty and, accordingly, will fail to see it as an important issue. This raises the question of how to develop an awareness of poverty among middle class groups.

*The Canadian Family Growth Survey, conducted in Toronto in 1967-68, with a random sample of 1600 married women, under 45 years of age, living with their husbands, found no differences in use of the pill that could be traced to education. While, among Roman Catholic women, the less educated showed lower use of the pill, this was attributable to the higher proportion of foreign-born women in the less educated group. See Allingham, J.D., T.R. Balakrishnan, and J.F. Kantner; "Time Series of Growth in Use of Oral Contraception and the Differential Diffusion of Oral Anovulants", Population Studies, March, 1969, pp. 43-51.

CHAPTER 3

SELECTED APPROACHES TO IMPROVING LIVING STANDARDS OF THE POOR IN HAMILTON AND DISTRICT

a) PUBLIC ASSISTANCE

b) HOUSING

CHAPTER 3

> Responsibility for meeting problems of living today is not merely individual nor is it a responsibility of the community for individuals - it is a mutual responsibility of individuals and society.
>
> The individual has responsibility for meeting his needs and for his behaviour insofar as this is possible for him; at the point where this is not possible, it becomes a social responsibility.*

ATTITUDES

3.1 If it is the responsibility of society to assist persons who are unable to function adequately on their own - in the case of public assistance, because of lack of adequate income - then the institutions of society are in danger of failing to perform their functions when the appropriate utilization of services comes into question or disrepute. In other words, if public assistance, a necessary social instrument, is seen as bad, the task of meeting financial needs for those unable to meet them on their own is threatened. To the extent that needs are not met, other kinds of social and physical dysfunctioning can be expected. And the ability of the instrument (public assistance) to perform will be impaired by neglect and public disrepute of public assistance.

3.2 A leader in the field of public assistance in the United States pointed out ways in which public assistance has been limited by negative attitudes and pointed to some of the reasons:

> Public welfare leadership has never believed in relief grants alone as a solution to poverty. Unaccompanied by preventive and rehabilitative services, relief grants frequently serve only to perpetuate conditions of dependency. . . .
>
> If the blame is to be placed someplace for the existence of this state of affairs, then it seems that it must be charged to the fault of public attitudes, cherished misconceptions about the nature of poverty, poor people and race, the Horatio Alger mystique, especially as these attitudes, until now, have been reflected in the elected representatives of the people and, to a much less virulent extent, in the media of communication.**

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* Ontario Welfare Council. The Province of Ontario . . .Its Social Services. Toronto, 1968, p. xiii.

**Raymond M. Hilliard. "Attacking Dependency at its Source," a paper presented September 1, 1965, at the Seminar on Problems in Public Welfare Administration, Fredericton, New Brunswick.

3.3 The negative attitudes toward recipients of public assistance continue to be widely held and to be expressed by persons of prominence in the community as well. The longer these attitudes persist, the more we can expect programs in public assistance to be inadequate and the more we might expect that persons on public assistance will make less than the optimum use of public assistance. Even at the point of application for help, many people are reluctant to come forward, surviving on extremely paltry fare until only the severest desperation drives them to apply. One worker with the Social Planning and Research Council of Hamilton and District recalls from his own practice in the United States instances that are pertinent: the family of a man working in construction in Detroit, who during the winter months frequently found it necessary to turn to public assistance, but who would make do on oatmeal three meals a day till there was just no alternative to going to the Department; the mother of a fatherless home in Seattle who worked long hours in a hotel laundry at wages so low that they were supplemented by the Welfare Department, so seldom at home and so tired when she got there that she was unable to provide the necessary guidance to help keep her children from trouble; a woman in Denver desperately trying to find ways of forcing a deserting husband, who is back and forth over the Mexican border, to pay support for the family, attempting to avoid going back to the Welfare Department in spite of the great difficulties involved in obtaining court orders to enforce support payments across state - and even more, national - borders.

3.4 These cases, and many others that might be related, demonstrate that in order to get adequate public assistance programs and to have recipients see public assistance and their place in the public assistance program appropriately, there must be an improvement in public appreciation for the program, its purpose and clientele. Efforts to organize recipients of assistance and to involve community leaders in experiencing home visits and an orientation to public assistance have proven to be of value. Gains have been made by the Welfare Rights Organization and other groups of clients in the United States. Such groups are rather new in Canada, but we understand that some of them have been heard by the Special Senate Committee on Poverty. Home visiting of recipients with community leaders going along has had a positive impact on attitudes among local "power structures" in some American cities.

3.5 Illustrative of the kind of anti-welfare prejudice that constitutes a major part of the problem are not hard to come by. Three fairly recent ones will do:

> At the Progressive Conservative Party Policy Conference in Niagara Falls, a Hamilton woman
>
> > was prepared to see the party endorse an expansion of the welfare system but only if those who were solely recipients

were deprived of the vote.*

Mr. Len Owen, Chairman of the Guelph Housing Authority, responded to criticism of admission and eviction policies from an incipient tenants' committee by pointing out that

> the committee was composed. . . of one member on welfare, "two members who have paid no rent since July 14," and one member on eviction notice who is behind in rent payments.**

Mr. Gagliardi, Welfare Minister for British Columbia, told a conference in Vancouver that the government would provide employables receiving public assistance with an "incentive" to work by cutting allotments.

> "We'll probably give them enough for food to keep them alive, but it's clear that we need some kind of incentive to get these type /sic/ of people back to work," he said later in an interview.***

This kind of issue has been raised time and time again, as if there are substantial numbers of such persons receiving welfare, while in fact studies indicate that the bulk of caseloads are made up of the old, children, single parents, and handicapped persons. The extent of the inclusion of employables varies with the level of unemployment in a community.

3.6 While there has been feeling about the worth of persons receiving public assistance through agencies such as the Department of Social and Family Services and municipal departments with various titles but similar functions, little stigma is attached to those receiving other forms of public assistance such as: oil and mineral depletion allowances, no taxation of capital gains, expense account living, tax avoidance by living abroad, family allowance, old age security pension, N.H.A. loans, advance grain payments, government help in the form of payment of excess storage charges for wheat, etc. Some of these forms of public assistance are currently under consideration for change, as is indicated by the Carter report and

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* "PC Delegates Oppose Annual Income Plan," in Toronto Globe and Mail, October 13, 1969. David MacDonald, M.P. (Egmont, P.E.I.), said that some participants "spoke as though they had a tremendous hankering to go back to the 1890's in the days of workhouses and debtor's prisons."

** Guelph Mercury, November 6, 1969.

***Canadian Press. "Able-bodied May be Cut from Welfare," in Hamilton Spectator, November 25, 1969.

the White Paper on taxation, but the recipients of this kind of largesse are not thought of as being in the same category as recipients of what is more usually thought of as public assistance. No one talks of taking away the vote from recipients of mineral depletion allowances.

3.7 One element of the attitude toward the poor in receipt of public assistance is the charge of "chiselling". This term is used to indicate two kinds of behaviour: fraud and receipt of assistance when the person "should be working". Studies of fraud in Canadian public assistance are not known to Social Planning and Research Council staff. In the United States, there have been a fair number, especially as related to the Aid to Dependent Children program. An exhaustive investigation in Detroit, in 1948, resulted in a total of two warrants for fraud, neither of which resulted in conviction.* A study by the California Department of Social Welfare in 1958-1959 uncovered a rate of fraud of 1.5%.** Greenleigh Associates, in a study of Aid to Dependent Children in Chicago, reported in 1960, found fraud (defined to include undisclosed income and/or presence of "absent" fathers) at under 2%.*** A massive study of Aid to Dependent Children conducted by the U.S. Department of Health, Education and Welfare, reported in 1963, found apparent fraud to be minimal - under 2% in 34 states, with only 8 states having fraud of over 3% and with Delaware and Nevada having the highest rates - 7.4%.****

3.8 The larger question is whether there are people on public assistance who "should be working". The bulk of public assistance recipients are the old, children, single parents, and the handicapped, with a very few employables. An economist, looking at 184 cases in Calgary,+ found that there were 12 cases where one could "present reasonably valid arguments against the continuation of social allowance payments", and of the seven which the author describes, the evidence against continuation does not appear convincing in all cases. Nor does he demonstrate that there is indeed work available for them to do in Calgary. At most, he would question the appropriateness of less than 7% of his sample.

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* Winifred Bell. Aid to Dependent Children. New York and London: Columbia University Press, 1965, p. 62.

** Ibid., pp. 62-63.

*** Samuel Mencher, "Public Welfare", in Henry S. Maas,ed. Five Fields of Social Service. New York: National Association of Social Workers, 1966, p.70, citing Greenleigh Associates, Facts, Fallacies and Future. New York, 1960, p. 55.

**** U.S. Department of Health, Education and Welfare. Eligibility of Families Receiving Aid to Families with Dependent Children. Washington, D.C., July, 1963. Over 2% of the total U.S. cases (21,085) were included in the investigation, on the basis of random sampling. Case reviewers were assigned to geographic areas and caseloads for which they were not normally responsible for eligibility determination.

\+ Stephen G. Peitchinis. "Why Should Anyone in Calgary Need Aid?" in Canadian Welfare, May-June, 1969.

3.9 So far, "chiselling" has been examined as it relates to public assistance. There are, of course, other areas in which "chiselling" the government is possible. Since there has been such concern about "chiselling" on public assistance, it might be worth while to compare this problem to tax evasion. Our references are again from the United States, as there is a lack of Canadian material.

3.10 A former U.S. Commissioner estimates that 8% of tax returns in 1957 underreported gross income.* Another expert contends that in 1955 the most generous estimate is that in returns from business and professional proprietors only 81% of income was reported, and only 56% of farm income.** Still another indicates a fairly constant rate of underreporting of dividends (close to 14%) from 1936 through 1957.***

This same writer observes that:

> It is hard to resist the conclusion that the zeal with which taxpayers reported their dividend income diminished between 1939 and 1952. A ready explanation lies in the change in tax rates. . . /T/he response to tax rates has been symmetrical - just as underreporting increased as rates rose, so it declined when tax rates fell. But the fall in underreporting was not as vigorous as its rise earlier.****

Underreporting of interest was estimated at 57.8% in 1957.+ The automatic data processing system was first introduced into the Southeast Region of the Internal Revenue Service in 1961, and in 1962,

> ". . .the first year after the computers were installed in the Southeast Region, 45 percent more tax returns reported interest received from bank accounts and 20 percent more reported dividends from stocks. Besides, 7.7 percent more returns were filed in that region alone than had been received the previous year.++

"The remainder of the nation, then not under the ADP system, showed only a 5 percent rise in the number of returns filed."+++

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* Russell C. Harrington. "Improving Income Tax Reporting," in U.S. Congress. House Committee on Ways and Means. Tax Revision Compendium. Washington, D.C.: U.S. Government Printing Office, 1959, Vol. II, p. 1461.

** C. Harry Kahn, "Coverage of Entrepreneurial Income on Federal Tax Returns," in ibid., p. 1455.

*** Daniel M. Holland. "Underreporting of Dividends and Interest on on Tax Returns," in ibid., p. 1413.

**** Ibid., pp. 1407, 1411.

\+ Ibid., p. 1418.

++ William Surface. Inside Internal Revenue. New York: Coward-McCann, Inc., 1967, p. 13. Quoting Clinton L. Walsh, Director of Operations for Automatic Data Processing, Internal Revenue Service.

+++ Loc. cit., fn.

Apparently, there are many sectors of society in which "chiselling" is more common than among those receiving public assistance.

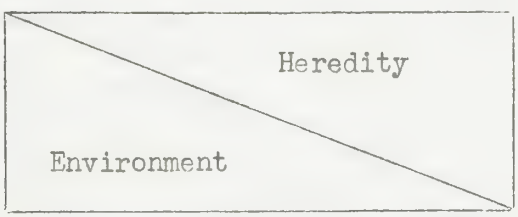
3.11 The impact of the prejudice against poor persons on public assistance also includes another unfortunate element - the incorporation of the negative attitudes toward recipients by the clients themselves. Many recipients see themselves as second - or third-class citizens and voice this perception. The client who gratefully accepts whatever is given and is "appropriately humble" in the process is not a good prospect for rehabilitation. In fact, many workers in public assistance have commented that the "ungrateful" client who protests and fights the conditions to which he is subject is much more likely to show progress in movement away from reliance on public assistance. One of the more depressing aspects of work in public assistance is, therefore, the amount of apathy that one encounters.

INADEQUACY OF PUBLIC ASSISTANCE

3.12 Adequate functioning on the part of any person requires a combination of adequate environmental supports and adequate hereditary resources. Where the environmental resources are in abundance, a person may function adequately with less than average innate capacities, and where the innate capacities are extremely great, he may function adequately with less than average environmental support. In Figure I.,

FIGURE I

HEREDITY AND ENVIRONMENT



moving along the bottom line, the average person would be at a point half way along the line, with average environmental situation and average innate capacities leading to normal functioning. Moving further to the right, with a poorer environment, a person requires greater innate capacity to function adequately, till, at the far right, where environmental conditions are so bad that no amount of inherited strengths will produce adequate functioning. Moving to the left, one meets the same condition, till at the far left no amount of environmental support will be able to make up for hereditary deficits. An Einstein will not develop

in a primitive Mexican Indian village, and a human vegetable will not become self-supporting regardless of how much care, how good a diet, how much love one gives him. Between these two extremes one finds the bulk of humanity, and with the person in between one strives for an average expectable environment as a minimum to nurture the person so that he can function adequately. At this point, there is relatively little we can do to improve human heredity, so that improvement in the human condition will necessarily depend on improvement in environment.

3.13 In looking at environmental components of a person, one must set some priorities. Not all aspects of environment are equal in effects, and some may be preconditions for ability to utilize other aspects of environment. As a psychology professor once observed, "Man does not live by bread alone - except when there is no bread." Yet, just as it is difficult to specify the extent to which inputs of environment are essential to adequate functioning, due to differences in heredity, so is it difficult to specify the quantity and time of receiving food, then shelter and clothing, then affection and socialization, and then other aspects of "culture" that an individual requires to function adequately. Again, we can state certain kinds of propositions about the limits, and we can point to problems arising with deficiencies, especially problems around greater anxiety and consequent movement away from adequate functioning. Another environmental consideration is the extent to which the quantity of goods and services which a person gets compares favourably with what others get. Even if calories are adequate to keep the person alive, if he sees others all around him living in considerable comfort, his functioning is apt not to be adequate. Our society is not willing, for instance, to accept the kind of social functioning demonstrated by the man who chose to make his home in a manhole in Toronto, regardless of his nutritional situation. At the nutritional level, if an infant with phenylketonuria (PKU) does not receive the appropriate kind of diet shortly after birth and for some years thereafter, the damage done will lead to gross retardation which no kind of help can reverse. Adequate diet would have prevented retardation. A man in Denver, suffering from diabetes and having trouble keeping on his diet on his public assistance grant, required amputation of limbs. Adequate financial assistance could have avoided this tragedy. These are rather extreme examples, but each relates to the kind of impact that society can have on environmental considerations, even if hereditary conditions are poor.

3.14 While the poverty line described in this brief is not a line below which everyone functions inadequately or above which everyone functions adequately, it is an effort to set down the monetary component of an average expectable environment at a somewhat minimal level, closely linked to the Economic Council's figure of 70% of income being expended on food, shelter, and clothing. Using the Economic Council's reasoning, the family of four in Hamilton receiving $4,800 a year is at the poverty line. Under the Ontario Department of Social and Family Services, the maximum which a family of four can possibly receive is $3,600, and almost all will get considerably less because they are not entitled, e.g., to

special diets, etc.* General assistance in Hamilton, Wentworth County, and Halton County (including Burlington) is comparable.

3.15 From the obvious inadequacy of the public assistance grant, question can be raised about how serious government at all levels is about eliminating poverty. In the size of public assistance grants, it is in fact perpetuating poverty. Under such conditions, it is difficult to maintain that government has a policy of eliminating poverty.

We have been advised that the average family finds it possible to obtain housing and food from the basic welfare allotments but that clothing needs cannot be met from this source nor do family allowances ordinarily suffice to close the gap. Assuming that a family must go elsewhere for clothing, one can only predict that the family will attempt to obtain clothing from churches, friends, relatives, various agencies, etc. The ability of the family to function with dignity is inhibited, and a "begging" kind of behaviour is encouraged. Inadequate public assistance is public assistance that is self-defeating, and more than any other characteristic of the program the inadequacy cries out for correction. Obsequious behaviour does not promote rehabilitation and a program that encourages it is degrading to the people served by it.

3.16 Some have argued that additional funds should be put into services rather than higher grants. Essentially, this argument boils down to the contention that an income at the poverty level is higher than that required for adequate functioning. The position for the priority to be given to more intensive casework as against more adequate grants is not supported by the evidence. Let us examine two studies, one Canadian and one from the United States.

3.17 An experimental project by Community Research Associates in 1956 in three Minnesota counties, using Aid to Families with Dependent Children cases, divided cases into two categories, alpha and beta. Alpha cases were those who needed and could benefit from intensive agency services, and beta cases were those in which it was felt that only basic ameliorative services were necessary or possible. It proved impossible to service all of the alphas intensively, and therefore the alphas who did not receive special service provided a comparison group. "Although the 'Alpha-assigned' showed more improvement than the less-served cases, the differences were not great or statistically significant."**

3.18 In the Family Centred Project in London, Ontario, 50 out of the total 80 cases treated were referred by the Department of Welfare, some jointly with other agencies. 62 of the 80 were on some form of public assistance at the time of referral, at least for part of their income. Only 4 of the cases had never received financial assistance.

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* Public assistance also covers medical and drug costs, and there is no income tax to pay, but all of these factors will ordinarily not come anywhere close to making the $3,600 on assistance equal to $4,800 earned income.

**Mencher, op. cit., p. 61. Emphasis added.

> The experimental group of cases evidenced a somewhat greater incidence of improvement in overall family functioning, by the end of service, than did the control cases. The extent of the difference between the two groups is however limited. There were no cases in either group which achieved an "adequate" level of overall functioning by the end of service.*

SOME SPECIFIC CHARACTERISTICS OF PUBLIC ASSISTANCE IN HAMILTON AND DISTRICT

3.19 So far we have considered some of the global problems of public assistance, reflecting more or less universal characteristics. There are also aspects that relate more directly to characteristics of programs serving the Hamilton area that deserve some comment. One of these is the confusion that can arise from the multiplicity of public assistance agencies in the area. In addition to the Provincial Department of Social and Family Services, we also have the Department of Social and Family Services of Halton County, the Public Welfare Department of Hamilton, and the Social Services Department of Wentworth County.

3.20 On occasion an applicant waits all morning to be seen at the Public Welfare Department of Hamilton only to learn that he should have gone to the Social Services Department of Wentworth County. The Hamilton-Burlington-Wentworth Local Government Review Commission recommends that the public assistance programs be joined under a single agency responsible to a Metropolitan Council, the top layer of a two-layer government for the region.** We concur with this recommendation, as far as it goes. At the same time, it is important that there be an adequate number of branch offices, for accessibility.

3.21 The Hamilton Public Welfare Department takes license plates from recipients, making these plates available to them again on the basis of specific needs which are approved by the Department. If a goal of public assistance is to promote independent functioning on the part of the client, this policy appears to have a contrary impact, leading instead to making the client dependent upon the worker for permission to use his own car, dependence of a sort that one would not expect from an adult. The Hamilton Department of Public Welfare will pay rent to landlords directly, if landlords insist. The Burlington Department of Social and Family Services, recently superseded by the Halton County Department, paid rent on Ontario Housing Corporation homes directly to the governmental landlord. In both cases, if the independent functioning of the client is a goal, it would be preferable for payment to be to the client, with the exception of the few cases in which the client is unable to manage his own affairs.

3.22 Hamilton's office for Public Welfare is inadequate. While the structure is relatively new, having been built in 1962, the wicket-like interviewing partitions were not designed to provide privacy, and

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* The Family Centred Project of London, Ontario. London: United Community Services of Greater London, 1967. Quotation is at p. 175. Emphasis added.

**Donald R. Steele, E.A. Jarrett, and Brian W.B. Morison. Report and Recommendations. November, 1969, p. 123.

the need to apply for public assistance is a matter of personal embarrassment to many recipients. In fairness, it must be noted that the Department attempts to carry on many private interviews in the home. The office is frequently very crowded, with applicants having to wait for long periods of time. There should be some way of simplifying interviewing procedures to reduce waiting time. Long waits are especially unpleasant because a few of those waiting are intoxicated. There are no magazines for those waiting. It would be some improvement if there were reading material available at the Hamilton Public Welfare Department. Applicants at the other departments in the area do not have such a long wait at the office to apply for assistance because of fewer cases.

3.23 The Hamilton Public Welfare Department may ask that a man seeking public assistance stay home for as much as three specified half-days in a month in order to be seen by the worker at his home. This multiple appointment system conflicts with his ability to seek employment and should be reconsidered. If the problem is one of caseload size, more workers should be employed.

POSSIBLE PROCEDURES FOR UPGRADING THE QUALITY OF SERVICE

3.24 Recipients of public assistance have a variety of needs. Many require only financial help. Recipients should receive such aid as a matter of right, without also being required to accept casework or other services. Others also require help in dealing with emotional and other personal problems. It is apparent that differing degrees of training will be required to deal with the client needing solely financial aid and the person with serious emotional difficulties, retardation, mental illness, etc. With workers on the line having training varying from grade 12 through the M.S.W., the obvious strategy would be to utilize workers differentially, according to the differing degrees of difficulty which cases present. In fact, this procedure is in operation in the Hamilton Public Welfare Department and the Provincial Department of Social and Family Services and is planned in Halton. In the rather small Wentworth County Social Services Department there is no such division of clientele, largely because of the smaller nature of the operations. The Wentworth County operation attempts to employ personnel with a higher level of training than minimal in order to meet the needs of a wider variety of cases.

3.25 One kind of service that should be implemented, whether under a public assistance agency or elsewhere, is for basic adult education, for rehabilitation of persons who are not able to read, write, or speak English at a minimally adequate level or who lack basic arithmetic skills.

3.26 Caseloads in the Hamilton Public Welfare tend to be in the neighbourhood of 100 for district visitors, with the special unit for intensive casework having loads from about 45 to 50. The Provincial Social and Family Services caseloads are 220 families or 350 singles

and married couples without children, a rather heavy load. Their Family Service Unit, which the social and family services regional administrator would like to expand further, has caseloads of 22 or 23, which provides opportunity for intensive service. According to Greenleigh Associates,

> It is estimated that an intake worker should be able to handle 20 new cases a month. Caseloads for intensive undercare should be between 40 and 60, for medium service, 60 to 90, and cases requiring few services, 90 and over.*

The especially small caseloads on the Family Service Unit should provide for some very special kinds of work and for appropriate kinds of experimentation to justify this kind of work input.

3.27 Work with public assistance recipients requires a constant upgrading of the knowledge and skills of the staff. This upgrading is needed because workers in public assistance bring to their jobs such varied kinds of training and experience and because the recipients of service have so wide a variety of problems. In addition, the whole field of help with emotional and behavioural problems is very much in flux. Departments in the area provide in-service training, and remuneration for successful completion of course work at appropriate local educational institutions. Only the Provincial Department offers scholarships for completion of the Master of Social Work degree. This is the only profession that has shown interest in providing leadership specifically in public assistance. It is the view of the Social Planning and Research Council that more persons with training at the master's level are needed in public assistance to provide special services to problem-ridden clients, especially services experimentally oriented, to assist in inservice training, and to develop future leadership in public welfare. There are relatively few people so trained in the field. Therefore, scholarship help for people working in public assistance should be available to those wishing educational advancement and capable of utilizing it.

SHORTCOMINGS OF THE PROVINCIAL PROGRAM

3.28 Under the Canada Assistance Plan, provinces may opt to provide supplemental assistance to persons employed full time at wages so low that they earn less than would be provided under public assistance. The Province of Ontario does not make use of this provision and we recommend that it do so. Otherwise, we have a situation in which a person is penalized for working. Such a position is a disincentive to work. It is of course true that many persons on public assistance should not work, (the aged, the handicapped, etc.), but for those who can, work not only means a savings to the government but also provides the person with feelings of worth. All other things being equal, it is therefore, desirable to encourage work. If public assistance provided aid at the poverty line,

*Public Welfare: Poverty-Prevention or Perpetuation. New York and Chicago,: Greenleigh Associates, 1964, p. 107.

it would be desirable to build in incentives for individuals were below that level but might yet work. However, simply allowing people to make up the difference between current assistance levels and the poverty line is not a desirable social policy because it ignores those most in need of assistance, those who for one reason or another are unable to work to attain adequacy of income - the person with a bad heart, the person who is sufficiently mentally retarded to prevent employability, etc. Assistance should be adequate, and incentives should be provided beyond the level of adequacy.

3.29 We also feel that there should be more adequate incentives provided for single parents wanting to work part-time.

3.30 A question of philosophy arises in another area of provincial concern. There are two general ways of perceiving social welfare and its role. One is to see welfare as having a residual role, dealing with the variety of conditions of people who have not "made it". Public assistance would be a typical "residual" service. The other looks at social welfare as having an institutional role, with service to the entire society as an objective. As well as public assistance, the family allowance program would be included as part of the social welfare field in the institutional approach.

> The residual formulation is based on the premise that there are two "natural" channels through which an individual's needs are properly met: the family and the market economy. These are the preferred structures of supply. However, sometimes these institutions do not function adequately: family life is disrupted, depressions occur. Or sometimes the individual cannot make use of normal channels because of old age or illness. In such cases, according to this idea, a third mechanism of need fulfillment is brought into play - the social welfare structure. This is conceived as a residual agency, attending primarily to emergency functions, and is expected to withdraw when the regular social structure - the family and the economic system - is again working properly. Because of its residual, temporary, substitute characteristic, social welfare thus conceived often carries the stigma of "dole" or "charity".*

The institutional approach sees social welfare as

> the organized system of social services and institutions, designed to aid individuals and groups to attain satisfying standards of life and health. It aims at personal and social relationships which permit individuals the fullest development of their capacities and the promotion of their well-being in harmony with the needs of the community.**

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* Harold L. Wilensky and Charles N. Lebeaux. Industrial Society and Social Welfare. New York: The Free Press, 1967, p. 139.

**Walter A. Friedlander. Introduction to Social Welfare. New York: Prentice-Hall, 1955, p. 4.

3.31 Those seeing the role of social welfare as residual are apt to restrict the application of welfare to much more narrow realms. When the Social Planning and Research Council of Hamilton and District inquired about receiving Canada Assistance funds through the Ontario Department of Social and Family Services for an information centre, the Department stated that funding of such activity, though permitted under the Canada Assistance Plan, was beyond what is permitted under Ontario legislation. Alberta has appropriate legislation of this nature. We would recommend that Ontario take an institutional position on social welfare, adopting legislation allowing for programs such as information services and other programs providing services and amenities for the entire community.

3.32 An important shortcoming in Canadian public assistance is in the area of research. This report had to rely very heavily on United States documentation, simply because Canadian material is so minimal. Research should be related to issues both of large scope (policy) and of lesser scope (specific techniques).

TWO PROPOSED BASIC CHANGES

3.33 It has already been mentioned, but we consider it sufficiently important to stress again the high priority to be given to making public assistance payments adequate. If we wish to have recipients function adequately, we must also provide the wherewithal. Although the Social Planning and Research Council of Hamilton and District has not been able to give the time and study to the question of the form of income maintenance for which the Government should opt, it is our feeling that all those in need should receive the kind of help needed to bring them beyond the poverty level, through a mechanism that does not infringe upon the dignity of the recipient.

3.34 The provision of services would be enhanced by the establishment of a single public assistance agency in the region. In order for there to be a single agency, it would be necessary to abolish municipal departments and place their functions in the hands of the Ontario Department of Social and Family Services or set up a series of regional departments with all operating functions, subject to the regulations of a single provincial agency. Public Assistance is not merely a local problem. Ours is a mobile population.

3.35 This consolidation will eliminate the confusion that exists in the minds of many who need to apply for assistance, will make possible a greater upgrading of staff (e.g., through scholarships for training at various levels), and facilitate specialization of caseloads. There should be an adequate number of branch offices to meet needs, a factor to be stressed considering the recent consolidation of municipal public assistance into a single Halton County operation.

THE HOUSING PICTURE

HOUSING IN HAMILTON AND DISTRICT

3.36 A major problem for low-income families is the cost of housing. Put quite simply, in the Hamilton area housing is in short supply, and when an item of universal need is in short supply the demand for it bids the price up. The tight housing market exists in spite of a tendency for the number of dwelling units to increase at a somewhat more rapid rate than population. (See Table I).

TABLE I

HOUSING STOCK AND POPULATION

HAMILTON*

YEAR	NO. UNITS	% INCREASE	POPULATION	% INCREASE
1965	86,823		283,099	
1966	88,124	1.5	285,649	0.90
1967	89,731	1.8	291,353	2.06
1968	91,898	2.4	293,397	0.64
		BURLINGTON**		
1966	17,634		65,500	
1967	19,202	8.9	71,700	9.5
1968	21,791	13.5	76,100	6.1

* Hamilton Planning Office
**Population as of Burlington Assessment, September 30.

Census figures indicate some lessening of overcrowding. (See Table II).

TABLE II

OVERCROWDING

YEAR	HAMILTON CROWDED DWELLINGS+*		HAMILTON & DISTRICT+ CROWDED DWELLINGS+*		HAMILTON 2 OR MORE FAMILIES/DWELLING UNIT		HAMILTON & DISTRICT 2 OR MORE FAMILIES/DWELLING UNIT	
	NO.	%*	NO.	%*	NO.	%**	NO.	%**
1961	8,197	11.1	11,059	10.5	4,523	7.1	5,343	5.7
1966					2,673	3.8	3,399	3.7

SOURCE: D.B.S.

* of all occupied dwelling units - D.B.S.
**% of all occupied dwelling units occupied by families - D.B.S.

\+ Hamilton & District is the D.B.S. Hamilton Metropolitan Area.
+*A crowded dwelling is one in which the number of persons is greater than the number of rooms occupied.

While the most recent available statistics do indicate a decline in overcrowding, the rate of new construction has been erratic. (See Table III).

TABLE III

RESIDENTIAL BUILDING STARTS

YEAR	AREA	SINGLE DETACHED, SEMI-DETACHED & DUPLEX	ROW HOUSING & APTS.	TOTAL	% INCREASE OR DECREASE
1965	Hamilton	685	1,413	2,098	-38.3
1965	Hamilton & District*	2,096	2,423	4,519	-20.3
1966	Hamilton	604	1,376	1,980	- 5.6
1966	Hamilton & District	2,260	1,941	4,201	- 7.0
1967	Hamilton	864	2,171	3,015	52.3
1967	Hamilton & District	2,386	3,122	5,508	31.1
1968	Hamilton	n.a.	n.a.	n.a.	n.a.
1968	Hamilton & District	1,977	2,943	4,920	-10.7

SOURCE: Hamilton Planning Office
C.M.H.C.

*Hamilton and District is the D.B.S. Hamilton Metropolitan area.

3.37 A critical issue is the vacancy rate. According to the Ontario Housing Corporation, (The Hamilton Housing Market, 1968, pp. 26-27):

> A reasonable proportion of vacant units is necessary at at [sic] any given time to allow for mobility and to provide households with some choice in the selection of suitable accommodation. The vacancy allowance for rental units is generally higher than for sale units at any given time, due to the greater mobility of the group of persons renting accommodation. The centre for Housing and Environmental Studies, Cornell University* reports rates of 6 per cent for rental and 2 per cent for sale units as being reasonable. The 1.9 per cent vacancy rate recorded in the Market Area in 1968 can be considered low and indicative of a tight market.
>
> In addition, the Economic Council of Canada recommends an overall vacancy rate of 4 per cent as desirable. Significant new construction will be required in addition to filling needs of newly formed households to meet this goal.

*Beyer, G.H., Housing Society, MacMillan Company, New York, 1965, p. 488.

3.38 The vacancy rate in the Hamilton area has been very low for as long as the Central Mortgage and Housing Corporation has collected such figures in this area (1965). Of eleven metropolitan areas on which they report in their June, 1969, apartment vacancy survey, Hamilton is the only city on which statistics have been collected since 1965 with a vacancy rate for that entire period under 2%.* Since 1967, the picture appears equally bleak for a number of metropolitan areas.

3.39 The low vacancy rate does not necessarily indicate that there is little turnover. In fact, especially at the lower end of the rental scale turnover is fairly common. The low vacancy rate bids up rents, however.

3.40 The most recent Hamilton area data continues the dismal picture. (See Table IV). As of mid-1968, according to the Hamilton Assessment Department, 1.7% of the single detached houses were vacant.

*The Apartment Vacancy Survey is conducted on a sample basis and only includes apartment buildings with six or more dwelling units. It does not cover structures completed in the six months prior to survey data.

3.41 The apartment vacancy rate picture for the Hamilton area is perhaps even more dismal if one examines the matter from the point of view of the large family. (See Table IV). According to the most recent figures, there were no vacancies in units of three or more bedrooms anywhere outside Burlington, a generally affluent, newer community. Vacancies in two bedroom units are under 2% except for an area designated "other" (outside Hamilton, Burlington, Dundas, and Stoney Creek), where it jumped from 0.0% in 1968 to 20.0% in 1969). This 20.0%* is based upon three buildings with a total of 43 units. Even among bachelor apartments the rate has dipped to 2.0% for the area.

TABLE IV

VACANCY RATES, PRIVATELY INITIATED APARTMENT

STRUCTURES OF SIX UNITS AND OVER, METROPOLITAN HAMILTON CENSUS AREA

(Per Cent)

	NUMBER OF BEDROOMS									
	Bachelor		One		Two		Three+		TOTAL	
	1968	1969	1968	1969	1968	1969	1968	1969	1968	1969
HAMILTON CITY	4.3	2.1	1.8	1.5	1.2	0.7	2.1	0.0	1.8	1.2
Centre	5.7	2.3	1.7	1.9	2.1	1.4	3.9	0.0	2.7	1.8
North East	3.5	0.8	2.1	1.0	1.0	0.7	0.0	0.0	1.8	0.9
North West	0.5	3.3	1.7	2.4	0.9	0.9	1.2	0.0	1.2	1.8
South	7.5	0.7	1.5	0.9	1.0	0.3	3.9	0.0	1.5	0.6
BURLINGTON TOWN	0.0	0.0	1.7	1.5	3.0	1.4	2.7	7.1	2.5	2.0
DUNDAS TOWN	0.0	0.0	0.6	0.7	0.0	0.0	0.0	0.0	0.2	0.3
STONEY CREEK TOWN	10.0	0.0	0.6	0.3	1.3	0.0	0.0	0.0	1.1	0.1
OTHER	0.0	0.0	0.0	3.7	0.0	20.0	0.0	0.0	0.0	9.3
METROPOLITAN HAMILTON CENSUS AREA	4.2	2.0	1.7	1.4	1.6	0.9	2.2	2.8	1.9	1.3

The Apartment Vacancy Survey is conducted on a sample basis and only includes apartment buildings with six or more dwelling units. It does not cover structures completed in the six months prior to survey date.

SOURCE: Central Mortgage and Housing Corporation

*There appears to be some discrepancy in the percentage figure, in that there is no whole number of vacancies which will give a 20.0% rate on the basis of 43 units.

3.42 Some further important questions on the availability of housing have to do with other characteristics of vacant units. In a sample consisting of every 15th dwelling unit (houses and apartments) in Hamilton assessed at under $2,501 there was a vacancy rate of 8.2%, according to 1969 Assessment information. This seemed to indicate that the vast majority of vacancies in the city would be found in this assessment range. In order to learn more about these units that were vacant at assessment time, vacancies were surveyed in three of the 8 Wards. In Ward 2, 9 of the 13 "vacancies" were inspected; in Wards 7 and 8, 5 of 5 were checked. Inspections were almost all exterior.

3.43 Ward 2 is an older section of Hamilton, including downtown property. Of the nine locations, two had been demolished. One may have been vacant (a house). The still standing units consisted of one apartment, 4 houses, and 2 row houses. Five of the units appeared to be in good condition (2 of these in need of some repair), with 2 in poor condition. It is not unlikely that an inside inspection would decrease the number judged to be in good condition. The guess of the two staff associates is that two of the units date from before 1920, another 3 before 1930, and the other 2 before 1940. Some vacancies were seen by the two staff as they drove around.

3.44 Wards 7 and 8 are on "the mountain" and are generally a newer section of Hamilton. Of the 5 properties inspected, only one was vacant. That one was a small house in poor repair, apparently dating back to the 1940's. A torn-up "for sale" sign was lying on the side of the house. The other units were a small house, a dwelling unit attached to a variety store (in need of some painting), and apartments. These were all constructed probably in the 1960's, the late '50's at the earliest. One of the locations was a new apartment house with 180 units, listed on the assessment records as all being vacant. There were no vacancies. While the assessment rate per dwelling unit was under $2,501, the 180-unit structure did not appear to be "economy". The other "vacancies", except the actual vacancy, appeared to be sound but generally on the small side. Very few vacancies were observed in driving around. There were some single family dwellings under construction, but these appeared to be larger than the ones listed as "vacant", and one would guess that their assessment is higher.

3.45 One of the disturbing aspects of the housing picture is the very limited availability of data. C.M.H.C. collects vacancy rates on dwelling units in apartment houses of six or more. Hamilton Assessor's office has total vacancies in single-detached houses for the city. Any composite picture of the metropolitan area is largely guess-work. The census has gathered information on occupied dwelling units. Intelligent planning in the area of housing requires frequent periodic information about vacancies in rentals, properties for sale, ranges of prices, and variations according to number of bedrooms, at a minimum, and no one is compiling this kind of material, certainly not on a regional level.

HOUSING FOR LOW-INCOME PERSONS

3.46 We have argued elsewhere that the standard of living made possible by an income at the poverty line, as defined, is not a satisfactory one. This is supported further by information on the availability of housing to low-income groups.

3.47 An estimate of the average income of a wage-earner family head in Hamilton in 1969 is $6,479.*

3.48 If we compare these figures with the incomes of N.H.A. borrowers in 1968,

TABLE V

INCOMES OF N.H.A. BORROWERS*, HAMILTON METROPOLITAN AREA

AVERAGE $8,531	$ 0-4,999	5,000-5,999	6,000-6,999	7,000-7,999	8,000-8,999	9,000-9,999	10,000-10,999	11,000+
	0.3%	3.4%	15.2%	24.5%	22.8%	8.2%	8.2%	10.5%

SOURCE: C.M.H.C.

*Not Family Income

it is clear that N.H.A. mortgages are making little impact on the housing problem for average families, let alone low-income families. Fewer than 3 in a thousand borrowers are at the poverty line (family of four, $4,800). The average wage-earner family in Hamilton has a better chance, with almost one in five borrowers being at $6,999 or below.

3.49 Another way of looking at housing costs is to examine cost of new construction.

*$\frac{\text{Est. 1968 Personal Income Per Capita (Ont.)}}{\text{1961 Personal Income Per Capita (Ont.)}} \times$ Average 1961 income, head of Wage-Earner Families (Hamilton) = $6,47

SOURCE: Ontario Statistical Review, 1968, and D.B.S.

TABLE VI

ESTIMATED COSTS OF NEW BUNGALOWS FINANCED UNDER NATIONAL HOUSING ACT, C.M.H.C. FIELD OFFICE, HAMILTON

YEAR	TOTAL COST	% INCREASE	LAND	% INCREASE	CONSTRUCTION COST per Sq. Ft.	% INCREASE
1966	19,947		5,349		12.31	
1967	21,341	7.0	5,999	12.2	13.10	6.4
1968	23,087	7.6	6,914	15.3	13.55	3.4

SOURCE: C.M.H.C.

Table VI indicates a rapidly rising housing cost much of which is attributed to an increase in the price of serviced land. In 1968, of the 41 C.M.H.C. field offices, land costs for construction were second highest in Hamilton* (after Toronto). Though construction costs here were twenty-ninth, total costs (land plus construction) were still second only to Toronto.

3.50 Recent news indicates that efforts are under way to expand the quantity of available serviced lots by 38,000 by 1974, using 1,100 acres of land on the Hamilton Mountain, under control of Central Mortgage and Housing Corporation and Ontario Housing Corporation. While the Hamilton Board of Control has approved the idea, it is still to be approved by O.H.C. According to the Hamilton Spectator, November 12, 1969, Controller J. MacDonald said that if O.H.C. approves, "...Hamilton would be one of the two cities in Canada assured of having more available serviced land than is needed for the next decade". One would also expect such a development to have a deflationary influence on land prices in the area. Most of the Hamilton Mountain housing will be for "moderate" income families under The Home Ownership Made Easy (H.O.M.E.) program, with some public housing. Land in the H.O.M.E. program will be leased rather than sold, to cut cost.

*The C.M.H.C. Field Office in Hamilton serves Brant, Haldimand, Norfolk and Wentworth Counties and that portion of Halton County included in the Townships of Nelson and Trafalgar.

3.51 1,550 acres of land in Saltfleet is being held by Ontario Housing Corporation in a recently formed land bank. This area is planned for development as an integrated community - housing, industry, and business. The development would be gradual, and the beginning of activity after a land bank assembly is ordinarily five years away from the bank formation. The amount of housing available to low-income persons in this development is not known.

3.52 At a meeting of a Social Planning and Research Council committee in 1966, a committee member in construction said that his company "had abandoned low-income housing schemes, because they are unable to place a house e.g. a 3 bedroom bungalow, in a good area, on the market under $22,000." The problems are the high cost of servicing the land and the mortgage market. "He sees subsidized housing as the only answer to the problems of the low-income groups." In fact, it was noted at that meeting that Hamilton has more public housing per capita than any other city in Canada.

3.53 Michael Wheeler, of the Canadian Welfare Council, in a memorandum the following year, states:

> Given the current pattern of income distribution, the market alone is unable to supply adequate housing at price levels within the reach of a significant proportion of the total population. Given mounting costs in practically all the constituent elements of housing supply, income redistribution to the extent that would be required to solve this problem in its entirety is inconceivable, even if it were desirable. The solution depends in large part on the development and determined implementation of a public housing policy.

3.54 Informants from the field of real estate indicate that they see no way in which our hypothetical family of four could purchase a home in the Hamilton area. The next question is one of cost of rental accommodations. The Hamilton office of C.M.H.C. has provided figures for 1969:

TABLE VII

AVERAGE RENTS, APARTMENTS IN THE HAMILTON AREA, 1969

LOCATION	SIZE DWELLING UNIT	AVERAGE RENT
Hamilton	1 bedroom	$140-145
	2 bedroom	155-166
	3 bedroom	177-192
Burlington	1 bedroom	145-150
	2 bedroom	155-170
	3 bedroom	235-255
Stoney Creek	1 bedroom	130
	2 bedroom	140-145
	3 bedroom	165-170

SOURCE: C.M.H.C.

3.55 Since the C.M.H.C. does not have data on the range of rents, we contacted the Public Welfare Department and real estate informants about low rents. Hamilton Public Welfare Department informants indicate that there are a very few apartments available at $85 to $90 per month, but generally the lowest rate is $100. The cheapest house rental is in the neighbourhood of $125, and that is exceptional. One real estate informant referred to the current shortage of housing for low-income families in the Hamilton area as "appalling". Another, commenting on the $95 per month allowed a family of 4 by Ontario Welfare regulations for housing, said that nine or ten years ago he rented a 2 storey, 6 room house on a small lot, a house of average quality, for that rate. One thought that there might be a very few old row houses in the North End at $95 per month, in questionable condition.

3.56 The Hamilton Public Welfare office housing specialist gets about 3 to 4 calls a day from persons looking for living accommodations. Many of those calling are non-recipients of service, for example, a head of the household making $70 to $90 a week. There is a definite shortage of inexpensive rentals, in the view of the Department.

3.57 The Public Welfare Department and real estate informants agree that landlords are reluctant to rent to families with children, especially small ones, and give preference to those with few or none.

3.58 One obvious type of low-cost housing is public housing. Compared to other Canadian cities, Hamilton has been fortunate in the number of units here, and His Worship Mayor Copps has been very active and outspoken in seeking more public housing. Currently, public housing is under two different administrations, with housing for older people administered by the Hamilton Housing Company and other public housing under the Hamilton Housing Authority, both acting on authority from the Ontario Housing Corporation.

3.59 As of October 23, 1969, there were 803 units for senior citizens, with an additional 594 under construction. The waiting list consisted of 1,237 applications for bachelor apartments and 306 couples. The Hamilton Housing Authority has 1,693 units. Their

TABLE VIII

UNITS ADMINISTERED, TO BE CONSTRUCTED, AND WAITING LISTS

AS OF

OCTOBER 30, 1969, HAMILTON HOUSING AUTHORITY

BEDROOM COUNT	NO. OF UNITS ADMINISTERED	WAITING LIST	NO. OF UNITS SCHEDULED FOR CONSTRUCTION, 1970
1	17		
2	431	775	51
3	949	336	296
4	252	168	40
5	42	58	
6	2		
TOTAL	1,693	1,337	387

SOURCE: H.H.A., Hamilton Spectator, November 5, 1969

major shortage appears to be in housing for smaller families, though one would expect the most acute shortage to be felt by larger families. It is only with the three bedroom units that new construction appears to begin to meet the waiting list problem, and the publicity around new construction may serve to bring more applicants, directly from individual families learning of vacancies through the media and from persons referred by agencies. The number of new public housing units scheduled for 1970 equals about 12% of Hamilton's building permits for residential construction in 1969.

3.60 There are also 50 units of public housing in Burlington and 24 in Stoney Creek.

3.61 Since adequate accommodations for low-income are in short supply, what are the consequences? The Social Planning and Research Council collected observations about the housing situation in 1965, and at that time Catholic Children's Aid Society of Hamilton reported:*

*Housing in Hamilton, 1965, p. 22.

3.62 We have done a quick survey only of open Protection cases of families served on an on-going basis. Of 164 families being served as of November 1, 1965, 26, or approximately 16% of active cases, had definite "housing problems", constituting a degree of inadequacy sufficient to contribute to potential neglect of the children or in turn because of the lack of housing, contributing to keeping children in our care because there was literally no dwelling available for the family's reuniting.

3.63 It was interesting to note that with most of these families usually several factors were applicable in concluding this or that constituted a housing problem and were composed of a combination of basic physiological, psychological, protection against contagion, and protection against accident, "needs".

3.64 Many of our families now appear to "think poor" as a result of years of inhabiting "poor" housing. Most dwell in houses inadequate in the first instance from the point of view of accommodation in relation to the structural soundness, cleanliness, inadequate services, (heat, lighting, plumbing). Some of our people with particular health problems, (cardiac conditions, crippled children, blindness, epilepsy, etc.) are forced to live in second or third floor "apartments" and there is constant danger of accidents on stairs, or a worsening of the physical handicap.

3.65 Most consider themselves fortunate to have, at the minimum, a "home" and either feel it is useless to seek alternate accommodation because of its lack or unsuitability or their inability to pay for same at any rate.

3.66 Many people seem to have developed "landlord syndrome", for want of a better term, in that they will not complain about inadequacies, accident hazards and the like, for fear of eviction for if such does happen, they are in no position financially to seek redress in the courts.

3.67 We note quite often the number of people whose sole income is from some form of Public Assistance. The parents earning minimal or marginal income in relation to the size of family also have unique problems in that most are not eligible for the presently available subsidized housing.

3.68 Many people too present problems for the landlord because of a previous history of failure to pay rent, damage to dwellings, disturbed and retarded children and mentally deficient adults. Of course, these latter problem areas are more related to community attitudes but do have a bearing on housing problems when it comes to renting.

QUALITY OF HOUSING

3.69 The question of the quality of housing in the area is difficult to pin down. Each municipality in Wentworth County has its own by-laws on the question of the quality of dwelling units. In Hamilton, most of the pertinent matters related to existing dwellings fall under one of three by-laws - a 1969 minimum standards by-law, affecting only the urban renewal area; a building by-law which includes provision for nuisance abatement and fire hazard abatement; and a health by-law. Enforcement is by the Building Department, the Fire Department, or the Hamilton-Wentworth Health Unit, depending on the violation.

3.70 The characteristics of dwelling units are not kept very up-to-date in governmental reports. Most recent statistics come from 1961:

TABLE IX

DWELLING CHARACTERISTICS, HAMILTON METROPOLITAN AREA, 1961

No. Occupied Units	In Need of Repair		Lacking Exclusive Use of:		Average Month Rent		Median Value Owner-Occupied Single, Detached
	Major	Minor	Flush Toilet	Bath or Shower	Cash	Gross*	
105,240	3.1%	17.1%	10.2%	7.7%	$73	$83	$14,078

SOURCE: C.M.H.C., D.B.S.

*Including water, electricity, gas, and fuel.

Burlington is fairly recent and would presumably not present a problem relative to quality of housing.

3.71 Real estate informants asked about a dwelling at $95 for a family of four felt that the quality might be a problem. One commented that the place would have to be "substandard, marginal, of poor construction". A woman who was formerly employed by the Hamilton Public Welfare Department spoke of conditions she and her colleagues had seen in dwellings in which clients lived. She indicates that by poor conditions she is speaking about serious problems with plumbing or heating, structural damage or deficiencies in the foundation, or other major defects. Such conditions exist in from a fourth to a third of the cases, she estimates.

Other clients lived in units with less serious deficiencies, such as needing painting, etc. Hamilton Alderman William Scandlan states that he could at any time provide a list of 1,000 dwelling units in such serious condition that they would be immediately vacated by the Hamilton-Wentworth Health Unit. He does not do so, he said, because there would be no place for the inhabitants to go.

3.72 Looking at the question of constructing new rental apartments for low-income families one soon discovers the impossibility.

3.73 Calculating that a family of four require 800 square feet at the very minimum multiplying by $13 per square foot for construction, and adding $1,000 per unit for land, costs come to $11,400. Interest at 10% is $1,140 and taxes are about $280. Interest plus taxes are $1,420 per year. Rent of $95 per month brings in $1,140 per year, the amount of the interest only.

3.74 Our Public Welfare informant found that most of the housing in which her clients in Hamilton's North End lived was poor, but there has been, she understands from other workers, a marked improvement in over-all quality of accommodations in which recipients live in that area, due to urban renewal. There still, however, remains a substantial quantity of substandard housing scattered throughout the older area of the city.

SUMMARY OF THE HOUSING SITUATION

3.75 The tight housing market in Hamilton and District exists in spite of a tendency for the number of dwelling units to increase at a somewhat more rapid rate than population. Crowding, defined as a condition in which two or more families occupy one dwelling unit, declined between 1961 and 1966. Residential building starts have fluctuated markedly from year to year. While data on vacancy rates are not readily available in any comprehensive form, the vacancy rate in Hamilton in mid-1968 in single detached houses (for rent or sale) was only 1.7%; in apartments (where there are 6 or more units), the vacancy rate for rentals was only 1.3% in 1969.

3.76 N.H.A. mortgages do little for low-income persons, with the typical borrower having an income in the $6,000 to $8,999 range. The cost of new construction in Hamilton has risen markedly, with the most spectacular increase coming in the cost of serviced land, which constitutes roughly 30% of the cost of land and house. The quantity of housing in the Hamilton area may be adequate with the development of C.M.H.C. - O.H.C. acreage on Hamilton mountain in this decade, but how much of this will be accessible to those of low-income is another matter. Certainly private developers are not able to create low-income housing.

3.77 A few apartments are available for rent at $85 to $90 a month,

but more typically low-income apartments would be at $100. The cheapest house rental would be $125, and there are few at that rate. The housing specialist of the Hamilton Public Welfare Department gets 3 to 4 calls a day from persons looking for accommodation, many of them non-recipients of public assistance on low-incomes. There is a definite shortage of low-income rentals, in the view of the Department.

3.78 Public housing in the Hamilton area meets part of the need, and in fact Hamilton is well provided with public housing compared to other cities. However, the amount of public housing does not begin to meet the need for low-income housing.

3.79 Lack of adequate housing for low-income families results in some rather spectacular and disastrous situations for families. A 1965 report from Catholic Children's Aid Society of Hamilton reported that 16% of their active cases involved housing problems. Inadequate housing had a depressing influence on a number of the families, and in some cases the particular facilities were inadvisable for reasons of physical handicap. In some cases, families were kept separated because there was literally no place for them to live together.

3.80 While information about the quality of housing available to low-income families is not readily available in a quantified form, one former worker for the Hamilton Public Welfare Department felt that from a fourth to a third of the dwelling units occupied by her clients had serious defects.

REMEDIES FOR PROBLEMS IN HOUSING

3.81 Housing, especially low-income housing, is an area of concern which is not a single problem entity. It is a collection of problems, and the ways of attacking these problems are numberous. It must be recognized, however, that not all solutions are "equal" in the kind of impact they have on the problem. It is also important to understand that the kinds of governmental action required for dealing with the housing problem complex raise major issues of political philosophy and challenge the values and interest of many.

3.82 The first issue that strikes one in examining the housing picture is the paucity of statistical information - information about vacancy rates and information about quality of dwelling units. The lack of reliable data on these issues makes intelligent overall planning and policy-formation most difficult. One lacks information on the number and type of vacancies needed and the rates which people can afford. It is important that such material be gathered on a regular basis for central cities, metropolitan areas, and provinces, especially as various kinds of responsibilities must be taken by various governmental bodies. The information should be gathered from a sample of all dwelling units, occupied and vacant, rentals and otherwise.

3.83 It is important that Government recognize the priorities it sets by its own policies. Thus, it should clearly be faced that certain kinds of deflationary policies will add to the housing problem. The Economic Council of Canada has expressed its view on the priorities that should be involved: "The use of housing as an economic regulator should not be continued to such an extent in the future."* One may disagree, but all who feel that the housing situation in Canada is acute must weigh the alternatives carefully - so much deflation with so much less housing, less deflation with more housing. The problem of the lack of housing is especially acute in the Hamilton area, but the problem is also national in scope. Use of manipulation of the housing market for deflationary purposes intensifies the housing problem nation-wide.

3.84 Ancillary to the principle of carefully weighing policies which have a side effect of reducing the number of housing units available compared to the number there would be with another, different policy is the idea of Government having a land policy, just as it has monetary and fiscal policies. Thus, one might argue, Government should buy and sell land in order to affect its price. The land on Hamilton Mountain to be developed by Ontario Housing Corporation might be used in this way. Of course, objections might be made about the cost of such a program.

3.85 One area of possible activity is in ownership of land. Since the cost of land is such a large part of the cost of housing, and since land costs have been rising so markedly, one might consider the common European practice of municipal ownership of land.** Such ownership could in fact take place at the provincial level also. In Europe, municipalities do not ordinarily purchase all of the land but do purchase some of it with the purpose of controlling its use and influencing the use of land which was not purchased. If municipal government did purchase land in order to keep prices down, it would find itself at cross-purposes because of the reliance of local government on the property tax. One must also face the value question here, as many people have a strong commitment to the right of the individual to own his own piece of land and house.

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*The Canadian Economy from the 1960's to the 1970's (Fourth Annual Review). Ottawa: Queen's Printer, 1967, p. 265.

**Eva Hamrin and Erik Wirén, Town and Country Planning in Sweden Today, Stockholm: Swedish Institute, 1964, p.p. 6-7. "In Stockholm, a conservative local government began buying up land systematically in 1904. By parcelling out the land under a system of leaseholdership rights, the city could keep prices of building land under effective control".

3.86 The question of ownership is, however, not so simple as that of a person having all rights to a piece of land and a house thereon. Ownership is a much more complex concept, as it has always been. Essentially, it consists of a set of rights and duties related to a piece of land. These rights are not and never have been absolute. Today, rights to use of land are defined by zoning laws, limits placed by right of expropriation, covenants, easements, taxation legislation, etc. Another way of looking at the question of "Governmental ownership" would be to see it in terms of redefining the right to use of land in such a way that conveyance could only be to the government, and government could convey through an instrument similar to what we call a lease. In fact, the H.O.M.E. program utilizes a lease approach in keeping housing costs low. Whether such policy should be widespread is a question related to values and the importance one places on continued reliance on the property tax base, for if such a system did not cut property tax revenues on land it would not meet the purpose of decreasing the cost of housing.

3.87 Imposition of a capital gains tax on land would have limited impact on the increasing land prices*. Part of the cost of residential land is due to speculation, which would only be partly affected by such action. In addition the increasing price of land is also related to increasing population and the current small number of vacant dwelling units. Differential taxation policies for farm and non-farm land would have the effect of raising the cost of non-farm land by lessening the availability of land for residential use. A direct tax on speculative land profits could help, if the proceeds were utilized to build homes, but unless the tax were 100% the residual untaxed portion would still be inflationary.

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* "Dean Gerald Carrothers, head of York University's School of Environmental Studies, says, however, that 'a capital gains tax won't reduce the cost of housing in the Hamilton area.

"'It would simply siphon off extra revenue and redistribute it throughout the whole country.'

"But he does offer an adaptation of the taxation solution which might work to direct effect on housing.

"A more direct taxation could, he says, be aimed at speculators' 'excessive profits'. The yield from this could then be ploughed directly back into the housing field where it could be put to the good of those in need of homes."

Gerry McAuliffe, et al. "The Great Land Rush," in Hamilton Spectator, December 31, 1969, p. 21.

3.88 Raising the quality of substandard dwelling units is another matter for legislative concern. At the municipal level, to what extent should enforcement of by-laws related to quality of housing be distributed among different governmental agencies? We recommend further centralization of responsibility, so that one department enforces all of the pertinent by-laws.

3.89 Legislation to provide for different taxation criteria for dwelling units seems appropriate. Perhaps enterpreneurs who purchase substandard properties and make them standard could be rewarded with a tax holiday on the value of improvements for a given number of years. (This principle might also apply to repair of owner-occupied dwellings). Provision should also exist for municipal trusteeship of substandard dwellings, with rents to the municipality until deficiencies are eliminated through rent payments. There should be no right to be a slumlord and no advantage to being one.

3.90 Some would see rent control as at least a partial solution to rising rents, as they directly limit rental costs. In fact, total rent controls present many problems, and while they might serve as a partial stop-gap, they are possibly too difficult to enforce, especially in a tight housing situation. The well-known war-time difficulties give evidence here: problems around "key money", rental agencies paying fees back to landlords, charges for minimal furniture, etc. The violations of rent control occur primarily at the point of moving in, and there are therefore, relatively few illegal acts per rental to detect. On the other hand, policing of substandard conditions involves an ongoing situation and can be detected at almost any point in time.

3.91 There are other Governmental measures which could be taken to improve the quantity and quality of housing, especially for low-income families. The Government could insure or directly provide more low-cost mortgage money, perhaps requiring that a given portion of pension fund money be allocated to such use. The Government should also encourage all kinds of non-profit and cooperative construction and renovation and allocate enough money to make such work possible, through low interest and/or no-interest long-term loans, loan guarantees, and grants especially for low-income home owners to repair their houses. The renovative programs would probably have greater direct impact on low-income housing than those programs aimed at new construction. Therefore, there is also a need for more public housing. Cost seems to be a major hang-up in implementing such policies, but we must also keep in mind the costs of neglect, costs illustrated in the statement of Catholic Children's Aid Society of Hamilton, for instance.

3.92 One might think that the quality of housing of people on public assistance might be enhanced by increasing the housing allowance in their grants. This idea is questionable. If a recipient of public assistance is spending more for housing than he is allocated (i.e., the

rent payment must be made from some money budgeted for food, etc.), there is certainly every reason to raise the grant to a level where the housing cost is met. However, if additional money beyond what is being currently paid to landlords were given for rent, especially in cases where the Department makes direct payments to the landlord, the result would be an increase in the cost of housing.

3.93 To clarify, imagine that government said that it recognized that $95 per month rent is unrealistically low in the Hamilton area for a family of four. Families are in fact paying $125, and so the rent allocation will be $125 so that it will not be necessary for poor families to cut into food, etc. to pay the rent. So far, so good. But if the government then decides that the quality of housing at $125 is often poor and that welfare families of four should be granted $135 for rent, then the result will be higher rents for the same facilities, not better facilities.

3.94 An increase in rental allowances will result in an increase in rents for three reasons - 1) the shortage of housing; 2) the inability of the construction industry to build low-income housing profitably and 3) the relatively inflexible way in which the law of supply and demand operates in the field of housing.

3.95 Because housing is in short supply, a renter, even with slightly more money in his pocket, will not find new quarters very readily. But if a person must move, the money available for him to pay is apt in fact to be paid, for he will get the best quarters he can at the money he can afford. At the same time, other people will be bidding for dwelling quarters in the same market (a relatively fixed quantity of housing), and so they also will bid higher. The consequence is that the price will rise, as effective demand rises while supply remains relatively constant (especially the supply of <u>low-income</u> rentals).

3.96 We have already indicated that rising costs make it impossible to build low-cost housing. But let us suppose that a ceiling were imposed on existing rentals but not on new ones. At that point, the bidding up of housing and then the freezing of existing rentals would represent an incentive for new construction. Even so, the supply would not expand rapidly, for several reasons:

1. Housing is a large item, taking time to construct;

2. Payment is generally not in cash, and the quantity therefore responds to the availability of mortgage money. The would-be owner or entrepreneur's ability to spend more money per month for housing is not enough. He must also be able to get a mortgage, and much of the cost is the cost of mortgage financing;

3. It is ordinarily necessary to recruit a large number of producers for each unit - electrical contractors, plumbing contractor, etc.;

4. In construction, the producers are relatively small operators;

TABLE X

SIZE OF N.H.A. OPERATIONS OF BUILDERS OBTAINING N.H.A. LOANS FOR NEW HOUSING, HAMILTON OFFICE, 1968

1-25 Units		26-50 Units		51-100 Units		101+ Units		Total	
.Bldrs	No.Units	No.Bldrs	No.Units	No.Bldrs	No.Units	No.Bldrs	No.Units	No.Bldrs	No.Units
33	252	3	104	3	208	1	203	40	667

SOURCE: C.M.H.C.

5. The construction industry has been characterized by cut-throat competition, and instability in the capital market, with the result that producers are often driven from the field. As a result, many who are left may be wary about taking chances;

6. Builders must be reliant on local licensing bodies.

All of these factors together make the operation of the law of supply and demand very sluggish in housing. For that reason, more direct intervention is needed to promote home construction.

3.97 The small and precarious nature of construction firms minimizes the amount of research done in construction. Research on improved construction techniques should therefore be supported heavily by government. If such research is under federal auspices, improvements in techniques and building materials which might otherwise be banned in local building by-laws might be more readily accepted nation-wide.

CASE HISTORIES

3.98 This report on housing has provided a picture of housing from a statistical point of view and a discussion of some kinds of policy that might be put into operation to deal with the housing problem complex. But it is people who feel the effects of housing conditions, and for that reason we include two case-histories, illustrating some of these problems. It is for these and other Canadians and in another sense for all of us that we must come to grips with this problem complex and make it possible for every Canadian to have decent accommodation.

A LOW-INCOME HOME OWNER

3.99 Mrs. Smith* is a low-income home owner in Wentworth County. She and her family moved into their modest 3-bedroom home in 1960. In 1961, her husband died in a work-related accident leaving her with three school-aged children. She has owned the house free and clear since 1967, paid by her husband's life insurance. Her current income is from Workmen's Compensation, in the amount of $275 per month. In 1961, she was getting $150 a month, with a raise to $195 in 1963 and to $275 in 1968. Earlier, she received an additional allowance from the Ontario Department of Social and Family Services for oil in the winter, but currently she is not eligible for oil because of the higher Workmen's Compensation. She owes $114 for last year's oil and has trouble getting oil for this year.

3.100 Expenses are hard to estimate precisely, as there is the odd broken window from playing ball, etc. She has a friendly neighbour who has done her plumbing work free. In 1965, she had imitation brick siding installed, both to cut down on the need for paint and to provide insulation. The cost was $1,200. She also had painting done that year at a cost of $50. In 1962, she lost a tank of oil in a flood.

3.101 Averaged over recent years, her expenses on the house include:

Furnace	-	$30 per year.
Repair of well pump	-	$20 per year ($65 since 1966).
Fire Insurance	-	$25 per year ($75 for 3 years).
Property taxes	-	$291 this year (plus interest).
Pumping septic tank	-	$10 ($20 per 2 years).

3.102 Currently, she has had dirt put into a ditch ($100) and plowed ($42). She will need another 10 loads (at $150 in all) to finish filling the ditch. She feels this step is needed to prevent flooding and cut down on pollution of her well. A child was hospitalized from the water

*A pseudonym.

with dysentery, she reports. Street lighting is soon to be added, at a cost of $45.54 plus an extra $5 per month on the Hydro bill.

3.103 The house needs new roofing. It needs some electrical work. Back and front stairs need repair. The area needs storm and sanitary sewers, and in the absence of storm sewers she feels the house should be raised to provide greater protection from flooding. When sewers are installed, she will be assessed for sewer services. Water service is also likely to be added. None of these items have been estimated.

3.104 Assuming that extraordinary expenses will be at about the same rate she has already paid in 1969 plus anticipated costs for street lighting, it appears that she will be putting out about $49 per month on the house. Even though her housing cost is well below the $95 a month allowed in the $4,800 yearly budget for a family of four, a re-calculation based on this rate of housing costs would find her over $1,000 below the poverty line <u>if all other things were equal</u>. In fact, all other things are not equal.

3.105 This family lives in an area rather remote from facilities of virtually all kinds. The shopping is done at one butcher and one small grocery-variety store, the only places in the vicinity. Because the grocery-variety has a small turnover of merchandise relative to, say, supermarkets, and because she is unable to "shop the specials", Mrs. Smith pays more for food. She has no car, and so trips into shopping areas for other goods make her reliant on friends and acquaintances to drive her or occasionally on taxis. Public transportation does not exist in the area.

3.106 Mrs. Smith responds to her difficulties by spending a considerable amount of time contacting government officials, both civil servants and elected persons, at all levels of government. She is only sometimes successful in getting what she wants. Some of the officials resent her taking up their time, which they feel might be spent more profitably in some other way. The cost of this time must also be seen as part of the cost of poverty in this country.

PROBLEMS OF HOUSE-HUNTING IN HAMILTON

3.107 The Pratt* family consists of a husband in his late 40's, a wife, and a seven-year-old son. Mr. Pratt is a pleasant, personable individual who likes to help others. A dislocated disc in his back and his lack of any particular skill or training make it impossible for him to get steady work. He works for a church as a part-time caretaker at night and he gets a disability pension. Mrs. Pratt quite often does day housework.

3.108 The story of the Pratts' difficulties in housing began about five years ago, in 1964, when Mr. Pratt became sick and was unable to keep his job as superintendent at two apartment buildings on Hamilton mountain. The owner of the buildings moved him to an apartment in the older section, but he was asked to move after a month. He then moved to the third floor of a house in the centre of town. He understood the rent to be $60, but it was raised to $85. He found the place infested with vermin, particularly bedbugs, so numerous that they dropped from the ceiling. The landlord refused to fumigate, and Mr. Pratt reported the condition to health authorities. They fumigated and sent the bill to the landlord, who evicted the Pratts.

3.109 Mr. & Mrs. Pratt and their son then moved to a third floor apartment on a main downtown street, over a store. They stayed there a year, paying $80 a month. He had again become ill and was unemployed, and he had to move because the building he was in was torn down to make room for a parking lot. He tried to find a cheaper place, finally finding one at $75, over a store in the East End business section, badly in need of decoration. The water heater in this apartment broke, and the landlord put another one in with only a 14 gallon capacity. They had to request its replacement because of its inadequacy, and when workmen moved cupboards out to put in the other one, they would not replace the cupboards, as the landlord said that he would have to raise the rent if he did things like that. Mr. Pratt had to replace the cupboards himself. He stayed two and a half years and redecorated the place. The building was sold at that time, and the new owner, seeing the condition of the unit, raised the rent to $100. Mr. Pratt was afraid he would raise the rent again and therefore this year he began to look again.

.110 After 3 or 4 months of intensive searching, he found a place in Hamilton's main urban renewal area, a second floor apartment with two bedrooms, a living room, kitchen, and a sun porch, for $90. Such places are exceptionally rare.

.111 On some occasions, Mr. Pratt had lost the deposit on units in spite of his improvement of facilities. In the process of searching, Mr. Pratt found many places that were very dirty and in poor repair, renting for from $85 to $125 per month. He had himself to settle for

*A pseudonym

places in poor condition, which he renovated, but he selected some of the better ones.

3.112 Mr. Pratt is handicapped to some degree by his physical condition. He has also been depressed at times by his housing condition, to the extent that his capacity to apply himself to improving his job skills is sometimes impaired.

PROBLEMS OF HOUSING SEEN BY A TEACHER IN A LOW-INCOME AREA

3.113 One mother brought her children to school late because the pipes had frozen and she had to take the children to a restaurant to eat. They paid (in 1966) eighty-five dollars a month for a four room house through the walls of which you could see daylight. It cost them about one hundred dollars a month to heat it by space heater. They couldn't find anything better where they could take six children. One child was often late for school because they had to share the bathroom with a neighbour. There was none in their house and a family of eight. In another home, there were three rooms for eight people. One was the kitchen-dining-living-laundry room combined. They had two babies. There was a hot plate and no evidence of a refrigerator. There was a radio, record player, washing machine and sink, with a few cupboards. Walking room was about three square feet. One room was a bedroom with a double bed and a dresser. The other room was empty except for some odd items. Where did six children and two adults sleep? Total walking room for eight people would be about 84 square feet. It was a second floor apartment with stairs that seemed about ready to collapse. There was no backyard. The children played on the street.

3.114 Rats and mice are very common, creating all kinds of problems from soiling food to biting the small children. We had a conversation time at school where the children compared rats as other children might compare pets. "We had a rat at our house and my mother threw her shoe at it, but it wouldn't go away." "How big was it?" "Oh about so big," indicating about eight inches. "That's nothing! We have one this big," indicating about ten inches. The conversation continued, and almost everyone had a rat, rats, or mice. One parent excused her son from class about four times one year because the Board of Health was fumigating the house.

3.115 There are other health problems because of poverty. Crowded conditions lead to lack of sleep because they have crowded beds or no bed at all, but rather a place on top of a trunk, etc. They may sleep in the room with the television and can't sleep until the last one goes to bed and the set is turned off.

3.116 Frequently these are a transient people. Some move to avoid a month's rent or because rents are raised. They usually stay in the same area, however, just moving a few blocks. Public housing has now been built in our area, and many have a comfortable place for the first time in their lives. One child who moved into a unit last spring, wrote in a story that she now lived in a "whole house" meaning it wasn't shared quarters with one or more families.

CHAPTER 4

THE ROLE OF SOCIAL PLANNING COUNCILS IN DEALING WITH POVERTY

THE ROLE OF SOCIAL PLANNING COUNCILS IN DEALING WITH POVERTY

GENERAL REMARKS

4.1 Social planning councils are community social agencies designed to enable their local communities to plan their services and take part in solving their problems. Their object is to encourage community-wide planning, through a partnership of community interest - governmental and voluntary, lay and professional, organization and private citizen - and to promote the development and maintenance of adequate and economical health, recreational, welfare and other social services and facilities.

4.2 The Social Planning and Research Council of Hamilton and District was set up to carry out three basic objectives:

- Conduct research into social needs and community problems.
- Co-ordinate the work of existing services.
- Assist citizens and community groups to plan efficient and effective health, welfare and recreation services.

Within these three basic areas, the services provided include:

- Surveys and studies of social problems and agency services.
- Consultation with agencies, clubs and other community organizations on matters relating to the health, welfare and recreation fields.
- Information about health, welfare and recreational matters.
- Conducting workshops and conferences on matters of public interest.
- Publishing. . .
  - * Reports of research projects and studies.
  - * Council newsletter.
  - * Directory of Community Services.
  - * Camp Directory.

* Directory of Community Services for Older People.

* Directory of Services for Physically Handicapped People.

* Manual of Agency Policies.

4.3 The work of the Social Planning and Research Council of Hamilton and District involves a variety of fields and serves a multiple purpose. It endeavours

- To prevent wastage and duplication of effort.

- To encourage co-operation among federal, provincial, municipal and voluntary agencies.

- To promote sound public opinion on health, welfare and recreational matters.

- To advise the United Appeal on the most effective use of voluntary funds.

- To promote high standards of economy and efficiency in tax-supported and voluntary agencies.

- To spot neglected areas in the social welfare field and promotes development of necessary health and welfare services.

- To assist in the recruitment, training, and placement of volunteers for community service.

4.4 The many functions of the Social Planning and Research Council of Hamilton and District are carried out by a small professional staff and a large number of individual citizens, representatives of various agencies, clubs and other community organizations who contributed their time and talent voluntarily.

4.5 Like most other social planning councils, ours is a member of the local United Appeal. Many are departments of local United Appeals. From time to time, a local United Appeal has reports done on the functioning of existing United Appeal agencies and on applications for admission to the Appeal. Generally, it is the social planning council which carries out the study. Again like others, we receive funds from a variety of additional sources. Faced with the tight budget situation which is common to many reliant on United Appeal and governmental support, from time to time we have been able to obtain special funding for particular studies, such as the current study we are conducting on day care services, made possible by grants from the Canadian Welfare Council

and the City of Hamilton. Unfortunately, there are very few sources to which social planning councils can apply for grants with any hope of success. One of our problems in producing this report was a shortage of funds for the survey material. Foundations to which application might be made are for the most part limited in range of interests, size of grants, or both. It is difficult to obtain money from senior governments because they tend to feel that research into local needs should be locally funded. Or, if the proposal is of more than local interest, because of theoretical or methodological implications, they seem to feel that it might be done equally well by other bodies. If the supply of funds were greater, these considerations might not weigh so heavily, but in a highly competitive situation they are very serious. It is therefore not surprising that few social planning councils have research staff, and these in the larger cities only.

4.6 Another difficulty is that it may take a protracted period of negotiation to obtain funding for such studies. This affects planning bodies more severely than others because in planning it is often important to have specific information available at a strategic moment.

4.7 Social planning councils are in an especially good position to conduct research on some matters because of the network of social agencies in which they are situated and because, therefore, the recommendations flowing from research projects may have a better chance of implementation. It is a general practice of social planning councils to include on advisory committees individuals from agencies and organizations that might be affected by such studies, in that way getting them involved on the need for changes right from the start in a meaningful way.

4.8 Because social needs and community problems relate in many instances either mainly or in large measure to the poor, the kinds of activities that a social planning council undertakes should be of interest in considering the question of poverty. Many agencies, both public and private, provide service to clientele made up of low-income persons to varying degrees. And groups in the community contact social planning councils for assistance around a variety of matters. Sometimes these are groups of poor people, and sometimes they are more affluent groups with concerns that relate to poverty.

4.9 The activities of social planning councils can and should be pertinent in dealing with poverty in helping to achieve higher levels of service (qualitatively and quantitatively)from social agencies in the community, in helping to insure that low-income people receive an appropriate share of these services, and in providing direct assistance to low-income groups requesting such help.

4.10 As is obvious from the foregoing, a considerable amount of our agency concern relates to matters bearing on poverty, often in a fairly direct manner. One way in which our activity relates to poverty is in production of pertinent reports and briefs. Currently, we are working on at least three such reports - one on day care, one on the field of rehabilitation services, and one on delivery of services to residents in seniors' apartments. In recent years, reports have been produced on the need for a comprehensive home care programme for the area, on the need for foot care, on the needs of skid row men, on the need to replace the Barton Street Jail, on the provision of service for overindebted families, and on information centres.

4.11 Comprehensive home care and foot care are especially concerns of the aged, and older people are often poor people. Comprehensive home care in Ontario is important because of the cost of nursing home care, not covered under Medicare. Foot care is a problem in part, because of a lack of training of nursing personnel at different levels and in part because podiatric services are not covered under Medicare in Ontario.

4.12 Skid row is a poverty area that frequently has a number of services but services that are often uncoordinated. The Social Planning and Research Council has attempted to study the local situation and make recommendations for improvement of the local picture.

4.13 Jails are also a problem of the poor because poor people are more apt to be in jails than are the more affluent. The whole issue of jail conditions raises the question of the applicability of the Canadian Bill of Rights guarantee against "the imposition of cruel and unusual treatment or punishment." What we have read in the press indicates that the Special Senate Committee has had other reports about jail conditions.

4.14 Debt counselling is needed by people at various social strata but especially by the poor. Similarly, information centres fill a need for all classes, but social services that are unknown to poor persons are apt to be of little assistance to them.

4.15 An appendix to this brief will summarize and discuss these reports in more detail.

ORGANIZATION OF THE POOR

4.16 People who have written about the poor have commented that characteristics that are more common among them than among others are a lack of social roots or guides to behaviour and a feeling that their interests are different from or contrary to those of society as a whole. This is not to suggest that all or even most poor people share these traits, but simply that these traits are found more often among poor

people than among people in general. Organization of low-income people can serve to provide a mechanism to relate to the larger social system and its institutions. Such organization can also help in creating normative standards, to help in dealing with the problem of lack of guides to behaviour.

4.17 In response to a request from a resident of a public housing project in Hamilton, the Social Planning and Research Council has provided staff help to a tenants' association. It is our feeling that low-income citizen groups should receive help in order to make their voice effective in society. By bringing into the social arena a new force, the policies and decisions made by officials both elected and appointed are likely to be more affected by the perceptions of low-income people, and low-income people will be less apt to sink into apathy and despair. Among social planning councils, leadership has been taken in the area of work with low-income citizen groups by Le Conseil de Développement Social du Montréal Métropolitain, which has a large section devoted solely to this kind of work.

4.18 Our Council is considering several possibilities in relating more effectively to the needs for organization of low-income people in the Hamilton area. Among approaches being considered are continued service to one area till that area is relatively self-sufficient, followed by consultative service on an on-call basis; work with another area after termination of on-going service to the present client-community; staff assistance to an over-all body serving to co-ordinate community organization in low-income areas; and recruitment and training of volunteers to work in community organization under the supervision of Social Planning and Research Council staff.

SUMMARY

4.19 Social planning councils are involved in dealing with poverty in a variety of ways, in areas of research and policy recommendations, in co-ordination of existing services, in assisting in the planning of services in the health and welfare field, and in other ways. A number of the reports and briefs of the Social Planning and Research Council of Hamilton and District are fairly directly pertinent to dealing with problems of the poor. Social planning councils often find it difficult to obtain funding for needed activities. Special studies that require extraordinary funding are difficult to implement because of the paucity of funding sources and the limited range which these sources will fund. The Social Planning and Research Council of Hamilton and District has recently moved to provide direct service to low-income citizen organization, following the lead of the Conseil de Développement Social du Montréal Métropolitain.

RECOMMENDATIONS

1. As most programs require some degree of adaptation to local conditions, the Government should be aware of the social planning councils as a major resource in making these adaptations. The Government should take steps to make it possible for social planning councils to obtain Federal funds to carry out demonstration projects and to provide a continuing source for the kind of research information which they are in a unique position to supply.

2. Other social planning councils and voluntary agencies generally should become involved in assisting the organization of low-income citizen groups and in involving them more fully in existing organizations.

APPENDICES

A - METHODS OF ESTIMATING INCOME BY FAMILY SIZE FOR METRO HAMILTON.

B - SUMMARY AND DISCUSSION OF REPORTS OF THE SOCIAL PLANNING AND RESEARCH COUNCIL OF HAMILTON AND DISTRICT RELATIVE TO POVERTY

APPENDIX A

METHODS OF ESTIMATING INCOME BY FAMILY SIZE FOR METRO HAMILTON

ESTIMATES FOR 1961

A.1 Data on family income by family size is not available from the census for areas smaller than provinces. This has required us to make estimates on the distribution of incomes by family size for Metro Hamilton from a series of related tables. Our procedure can best be summarized as a series of separate steps.

Step 1

A.2 Table 42 in Bulletin 2.1-4 of the 1961 Census provides data on wage earner household size by incomes of household heads. It was necessary, first of all, to remove non-family households.

Step 2

A.3 Table 14 in Bulletin 2.1-2 indicates the number of persons in each household by household type for all households. It was assumed that wage earner households, making up over 3/4 of all households in the Metro Hamilton area, would be distributed by size in the same way as the total of all households for each household type. Thus, the size of non-family households could be estimated and these could be removed from the table.

Step 3

A.4 Table 22, Bulletin 2.1-2 provides data on the incomes of wage-earner household heads by household type. It was assumed that the income of household head would be independent of the household size for non-family households. This enabled us to develop from Table 22 the income levels of the households removed in Step 2. We were left with a table estimating the incomes of wage-earner household heads by household size for family households.

Step 4

A.5 The next step was to remove households where the head was not the family head. This was necessary because in this case the income of the head gave no clear indication of the economic status of the family. This was accomplished in the same manner as the removal of non-family households.

Step 5

A.6 Next, we were required to reduce the size of single family households in which persons other than the family of the head were present to bring the household size into line of the size of the nuclear family within it. Table XXVI in Bulletin 7.2-3 of the 1961 Census indicates the numbers of households with lodgers by number of lodgers for Metro Hamilton. Bulletin C.T.-8, page 10, indicates the number of lodging families. These tables enabled us to estimate the numbers of lodgers found in the single family households. (The number of single family households with additional persons was greater than the number of households with lodgers. It was assumed that, in the additional cases, there would be only one other person present.) Given the assumption that the income of the family head was independent of the family size, it was possible to "remove" households from the table and to "replace" them at their estimated actual size.

Step 6

A.7 The final step in preparing a table of wage earner family income by the size of the income of the head was to remove two or more family households to estimate the size of the families they contained, and the incomes involved, then to re-insert them in the table. In doing this, several assumptions were necessary:-

a) that the proportion of households containing more than two families was the same for wage earner households as for all Hamilton households. (The Hamilton figure could be estimated from Table 14, Bulletin 2.1-2.) All of these for purpose of estimating family size were assumed to be three-family households;

b) that in two-family households of six or more, where the size of the families involved could vary, the most "balanced" combination, i.e. one where the two families were as close as possible in size, would be twice as common as the next, which, in turn, would be twice as common as the next, and so on;

c) that in three-family households of eight or more, where the size of the families involved could vary, the most "balanced" combination would be twice as frequent as the next, and so on;

(It should be mentioned that the procedures in b) and c) when applied to all households at the same time as the estimates outlined in Step 5, produce a distribution of family sizes very similar to the actual distribution.)

d) that where the family differed in size, the head of the larger family was the household head;

e) that the income of the household head and the size of his household were independent.

A.8 On this basis, it was possible to remove multiple family households from the table. In cases in which the household head's income could be estimated, they were re-inserted in the table in accordance with their estimated actual size. In the case of families whose heads were not household heads, it could not be determined how many were wage earners or what their incomes were. However, Table 86 of Bulletin 2.1-10 provides figures on the numbers of wage earner families by the incomes of their heads. From this, the numbers of these families which were headed by wage earners could be determined by subtracting the number of families we had accounted for from the total in the table. The distribution of incomes of the heads of these families could be determined by the same means. On the assumption that the income of the head was independent of the size of the family, they could be replaced in the table.

A.9 The next problem was to determine how to allocate the earnings of other family members than the head. This was approached in four steps.

Step 1

A.10 Table 23 in Bulletin 3.1-16 gives the number of married women in the labour force for Metro Hamilton. Table 91 in Bulletin 2.1-11 gives the number of cases in which wives worked, but not husbands. Subtraction gives the number of working wives in families with heads in the labour force. It was assumed that ninety percent were in families headed by wage earners. (This is slightly above the proportion of wage earner heads among heads in the labour force. For wage earner families, however, the proportion of working wives is related inversely to the income of the husband. Non-wage-earner family heads who are in the labour force have higher incomes than wage-earner heads. Thus, it seemed reasonable to assume that a lower proportion of working women would be found among them.)

Step 2

A.11 It was next necessary to determine how many would be working at each family size, and what proportion would be working full-time. Table 16 in Bulletin 3.3-12 indicates the earning levels of female wage earners in Metro Hamilton by the number of weeks and the number of hours worked. From this, we extracted the distribution of income for women working full-time (forty or more weeks, for thirty-five hours a week or more), and for women working less than full-time. Table 20 in Bulletin 3.3-6 gives the earning distribution of female wage earners in Metro Hamilton by marital status. From examining the upper and lower ends of this distribution, where there is little overlap of the full-time and less than full-time distributions, it was estimated that approximately fifty percent of the full-time workers were married. On this basis, the number of married women working full and part-time could be estimated.

Step 3

A.12 There is no information available on the labour force participation rates of married women by family size for Metro Hamilton, or for

the different proportions, by family size, who are working full and part-time. Estimates were made for these factors by calculations based on the results of the 1956 Department of Labour survey of working wives.* Participation rates were obtained by comparing the number of working women by number of dependent children with the number of families in metropolitan centres in 1956 with the same numbers of children, then adjusting upwards to allow for the higher overall participation rates in Hamilton in 1961. Upward adjustments were greatest for smaller families to allow for the increasing number of women whose families had reached an age of relative independence who were entering the labour force during the 1950's.** The percentage working part-time in the National survey in 1956 was considerably lower than the estimate for Hamilton, partially because of a different definition of part-time work. We attempted to maintain a similar relationship among family sizes at the higher levels found in Hamilton.

Step 4

A.13 With the resulting estimates of the numbers of women who worked full and part-time, by family size, we could estimate the number of wage-earner wives by earning levels by family size. It was decided that, since wage earners make up about ninety-four percent of the married women in the labour force, the distribution of earnings for all women in the labour force could be approximated by the wage earner distribution. The numbers at each family size were increased proportionately to allow for this.

A.14 Next there arose the question of how to distribute the wife's earnings by the husband's. We had no local data to go on, but Table 94 in Bulletin 2.1-11 gave the distribution of husband's earnings by wife's earnings for families in which both husband and wife were wage earners for Ontario. It was decided to distribute the wife's income in Metro Hamilton in accordance with this table.

A.15 This resulted in a table showing wage earner families by size of total earnings of husband and wife. One further step was required to convert this into a table showing total family income. Some allowance had to be made for other income of husbands and wives, and for the income of other persons within the family. We could find no way of determining how these earnings should be allocated by family size, so alterations were made proportionately at all levels of family size to bring family income into line with the total family incomes of wage earner families in Metro Hamilton as given in Table 86, Bulletin 2.1-10.

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* Married Women Working for Pay, Department of Labour, Ottawa, 1958, page 35 ff.

**J.D. Allingham, "Women Who Work", Special Labour Force Studies, No.5, D.B.S., Ottawa, 1967, page 12, passim.

A.16 Wage earner families make up over 3/4 of the families in Hamilton in 1961. Two other groups, making up about eighty percent of the remainder, could also be isolated: retired couples and families headed by someone in the labour force who is not a wage earner. The income by family size distribution for these two groups could not be specified as clearly as the distribution for wage earner families. But it was considered more desirable to make separate estimates for these groups than to simply lump them together with others and to distribute income randomly.

1. Retired Couples

A.17 Table 74 of Bulletin 2.1-7 indicates the number of couples with husbands over sixty-five and no one else present in the family for Metro Hamilton. Tables 73 in Bulletin 2.1-7 and 88 in Bulletin 2.10 indicate the numbers of such couples in the Province of Ontario, and the number where the head is a wage earner. On the assumption that the Hamilton situation was similar to the Ontario situation, the number of retired couples could be estimated. The income distribution applied to this group was that given in Table C.12 in Bulletin 4.1-3 for families in Ontario whose major source of income was not employment.

2. Households Headed by Labour Force Members Other Than Wage Earners

A.18 The size of these households could be obtained by subtracting the figures for wage earner families in Table 42 of Bulletin T.1-4 from the totals given in Table 40, Bulletin T.1-4 for all households headed by labour force members. It was assumed that the size distribution of families within these households should be modified to the same degree as the size distribution of wage earner households. That is, the cumulative distribution function of household sizes was shifted to the same degree as it had shifted for wage earner households to give the size distribution of families. No data was available for Hamilton on the employment income, so the basic income of these family heads could be estimated from a ratio with national data. The ratio was -

$$\frac{\text{National Non-Farm Wage Earner Income}}{\text{Metro Hamilton Wage Earner Family Head Income}} = \frac{\text{National Non-Farm Self-employed Income}}{\text{Metro Hamilton Self-employed Family Head Income}}$$

A.19 Since the two distribution on the left and the numerator on the right were known, incomes of self-employed family heads could be developed.*

*National data was taken from Table B4 in Bulletin 4.1-2. Metro Hamilton wage-earner family head income comes from Table 86 in Bulletin 2.1-10. National data is for employment income only.

Some modification was required in that for self-employed persons, income other than employment income becomes a significant factor, averaging 6.3% of employment income. (This can be calculated from data in Table B4 in Bulletin 4.1-2.) It was assumed that the importance of investment income would decline from ten percent for family heads earning over $10,000 to seven percent for those earning from $7,000-$10,000, to four percent for those earning $6,000-$7,000, and to one percent for those earning from $5,000-$6,000. This yielded a total increase of just under 6.3%. It should be noted in passing that even if this allocation is somewhat inaccurate, it will have no effect on the proportion of the population in poverty, since virtually all of these families will be above the poverty line.

A.20 It was then necessary to make a correction for the influence of other earners. It was decided that this influence should be estimated by assuming that the effect of other earners would influence the cumulative distribution function of non-wage earner family head incomes to the same extent that it influenced the cumulative distribution function of wage earner family head incomes. This assumption enabled us to develop a table of family income by family size. There were gaps in the table showing the total number of families in Metro Hamilton by family size (Table 47 in Bulletin 2.1-5) and in the table showing total family income (Table C5 in Bulletin 4.1-3). It was decided to distribute family income randomly by family size to fill the remaining spaces in the tables. This yielded the income-by-family-size table from which our 1961 poverty estimates have been made.

ESTIMATES FOR 1969

A.21 No independent data was available for 1969, but estimates on the extent of poverty could be developed on the basis of assumptions about family size, income levels, and the distribution of income.

1. Family Size

A.22 Average family size in Metro Hamilton rose slightly between 1961 and 1966, due to a change in population structure, with a larger proportion of younger families being present. We do not have figures for 1969 for Metro Hamilton, but, nationally, family size appears to be falling, as the declining birth rate has outrun the shift in population structure. Accordingly, we have assumed that family size in 1969 is equal to that of 1961.

2. Income Levels

A.23 Family incomes vary in extremely close relationship to personal income per capita.* We have no data for Hamilton, but 1961 and 1968 figures for personal income per capita for Ontario could be taken from the Ontario Statistical Review. The 1968 figure was modified upward to allow for inflation and real growth estimates for Ontario for 1969. This yielded an overall increase over the period of 63%. This was applied to the Metro Hamilton income distribution of 1961 to get an estimated distribution for 1969.

3. Distribution of Income

A.24 We have no data on the distribution of income by family size in 1969. Nor do we have information on possible changes in the shape of the income distribution. But the latter factor, at least, is known to change quite slowly.** Accordingly, it has seemed reasonable to assume that the distribution of income has remained stable between 1961 and 1969.

A.25 On the basis of these three assumptions, it was possible to estimate the income distribution by family size for 1969. While any of the assumptions might be somewhat inaccurate, it was felt that they would be unlikely to result in serious distortion of the overall poverty situation.

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* See for example, Urban Family Expenditures Survey, D.B.S., 1969, pag.. 9, passim.

**See for example, Table 12 in Income Distributions: Incomes of Non-Farm Families and Individuals in Canada, D.B.S., 1968, page 78.

APPENDIX B

SUMMARY AND DISCUSSION

of

REPORTS OF

THE SOCIAL PLANNING AND RESEARCH COUNCIL OF HAMILTON AND DISTRICT

RELATIVE TO POVERTY

COMPREHENSIVE HOME CARE

B.1 The Brief to the Geriatric Committee of the Hamilton-Wentworth Health Unit on the Need for a Comprehensive Home Care Programme for the Hamilton area came about because of concern with an apparent shortage of chronic beds for older people. The Brief states that some older people needing such care are at home or in nursing homes while some in chronic beds could get along with less intensive care in nursing homes. Cause of the bottle-neck appears to be the fact that chronic bed care is covered under an Ontario Hospital Services Commission (O.H.S.C.) programme and nursing home care is not. There also appears to be a slight but increasing shortage of chronic beds aside from the question of some being in chronic beds who should be in nursing homes. The full Comprehensive Home Care Programme would lessen the need for the quantity of chronic beds by providing the care at home or in a nursing home. The nursing homes themselves should be classified as to different levels and kinds of service and differentitated by personnel and fee schedules. Some are in nursing homes who could use the even less intensive care of a home for the aged, but it appears that another such home is also needed, especially as indicated by the size of waiting lists.

B.2 Low-income elderly persons are apt to attempt to get into chronic beds, paid through hospital insurance, rather than into nursing homes, and are apt to try to stay in chronic beds longer than optimal. As a result, chronic beds are in short supply for all older persons needing them. Some are in nursing homes inappropriately, waiting for chronic beds, and they tend to create a nursing home bed shortage as well.

B.3 More recently, the Social Planning and Research Council has

endorsed the idea not only of classification of nursing homes but also of coverage of appropriate classifications under hospital insurance. The primary recommendation of the Council relative to home care and its implications is as follows:

RECOMMENDATION: That the Hamilton-Wentworth Health Unit establish a "Services & Supervision" function in our community, as outlined in the report prepared by the Inter-departmental Committee on Home Care of the Ontario Department of Health and Ontario Hospital Services Commission (O.H.S.C.).* This "Services & Supervision" function will complement the "Treatment" function of the existing Home Care Programme, administered locally by the Victorian Order of Nurses, and will provide the Hamilton-Wentworth area with a Comprehensive Home Care Programme.

Comprehensive Home Care consists of two parts - "Treatment", which is currently offered through the Hamilton-Wentworth Health Unit, and "Services and Supervision", which is not available in the area. A description of these two parts follows:

Comprehensive Home Care

(a) "Treatment"

- For selected patients in their own homes. This is a specialized program providing the equivalent of hospital care.

"Selected patients" are those accepted because -

- Treatment can be provided in their homes;
- needs cannot be met on an out-patient basis;
- the home is suitable, physically and psychologically;
- the services required are available in the community.

"Treatment" services exist in the Hamilton-Dundas-Burlington area under the administration of the local branches of the Victorian Order of Nurses. They make available the services of a visiting nurse, a visiting homemaker, a physiotherapist and some casework counselling where necessary. In 1968, the "Treatment" services of the Hamilton-Dundas V.O.N. served 538 patients and saved countless days of hospital care.

*Dept. of Health and O.H.S.C. Inter-Departmental Committee on Home Care, The Home Care Program in Ontario, Oct. 5, 1967.

Appendix - Previous Reports of the Social Planning and Research Council

(b) "Services & Supervision"

This function arranges for the care of persons in the most appropriate manner, whatever their needs may be, and provides continuing supervision, with necessary adjustments from time to time, in as normal a living arrangement as is possible. It deals with all types of care problems and is much broader in scope than "Treatment" services which is a specialized program for selected patients. "Services & Supervision" makes the best use of all services and facilities, proper referral to other programs, arranges hospital care when needed, facilitates discharge from hospital, arranges for adequate post-hospital care, and provides follow-up supervision as required. It is a service designed for those who are unable to arrange for or manage their own care requirements.

"Services & Supervision" will not only assist individuals, but will aid hospitals, local Welfare Departments, or other branches of municipal government in meeting the needs of the aged, infirm, or chronically ill who require special assistance.

Staff for "Services & Supervision"

The Inter-Departmental Report suggests that staff might include:

1) Director - a competent person with administrative experience, either a nurse or social worker.

2) Medical consultant - part-time or full time.

3) Case workers - full time nurses and social workers, the number depending upon the caseloads.

4) Occupational therapist - part-time or full time.

5) Secretarial staff - as required for caseloads.

In the "Treatment" service administered locally by V.O.N., staff are required for administration only; direct service is purchased from existing agencies and services. In contrast, "Services & Supervision" requires staff for direct service, such as counselling, supervision, etc.

Appendix - Previous Reports of the Social Planning and Research Council

Help Provided by "Services & Supervision"

1) Advisory services, counselling and referral for those who are otherwise able to arrange for and manage their own care program with the assistance of relatives, friends, etc.

2) Direct service or supervision of the applicant's care plan. This would require a comprehensive assessment, conferences with family, home visits, etc.

3) Direct service and continuing supervision of individual cases by the staff:

   a) Arranging appropriate placements;

   b) Escorting patients on moves from hospital to home, visits to physician or out-patient departments, etc.;

   c) Making arrangements for continued medical care and supervision;

   d) Attention to nutritional needs;

   e) Arrangements for dental services; optometric services, etc.

4) Services arranged from other agencies:

   - Red Cross Loan Cupboard: wheelchairs, walkers, crutches, etc.;

   - podiatric services;

   - visiting nursing service as required;

   - homemakers service, if required;

   - legal aid, etc.

FOOT CARE

B.4 The report on foot care also relates primarily to the aged. A member of the Board of Directors of the Social Planning and Research Council brought to the attention of the Board a concern for the home-bound and/or crippled condition of older people who had inadequate foot

care. No survey in Hamilton was done, but a study in 1965 by Dr. Cope Schwenger, using public health nurses as interviewers, found in Toronto and Orangeville that just under half the older persons interviewed had foot problems, with large numbers getting no treatment.

B.5 Some of the treatment for foot care is provided by physicians, some by others. As a result of activity by the Sub-Committee, training sessions have been arranged for nurses and other nursing staff. These persons are not equipped to provide treatment for diabetics, for horny nails, or for a variety of other conditions. Such conditions require a physician, perhaps one trained in orthopedic surgery, or a podiatrist.

B.6 The precise role of the podiatrist is in dispute between the Ontario Medical Association and podiatrists. It does seem that there is agreement as to the appropriateness of their practicing their profession on nails, skin, and subcutaneous tissue (i.e., tissue just below the skin). In fact, it appears that many doctors prefer not to deal with nail cutting, etc. because of the many demands on their time to utilize the more specialized knowledge and skills they have. A limited survey of general practitioners. Orthopedic surgeons, nursing services, social agencies, and podiatrists in Hamilton found feeling in each category that more podiatric services are required in Hamilton, as well as more education in foot care.

B.7 Podiatric services are not covered under Ontario Health Services Insurance Plan (OHSIP). There are relatively few practicing podiatrists in Ontario, and therefore inclusion of podiatry would probably not be very expensive for the province. Currently, as many older people have limited incomes, they are hard-pressed to make use of podiatric services.

B.8 There is no podiatric training available in Canada, and podiatrists who wish to practice in Ontario must currently be trained in the United States. Those trained in Europe are unacceptable in this province. As a result, relatively few podiatrists from Canada are trained, not all of these return to Canada and a number in Ontario from elsewhere in the world are unable to practice their profession in Ontario without going to the United States for further training.

B.9 There is one foot clinic in Hamilton, staffed by an orthopedic surgeon and a volunteer podiatrist. The Social Planning and Research Council Sub-Committee on Foot Care successfully encouraged more publicity about this service, as well as themselves urging nursing personnel to refer more to this resource. They suggested to McMaster University that they consider including podiatric training at the new medical training complex.

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B.10 The Sub-Committee recommended that transportation to foot care be readily available. They observed that podiatric care would cut down on the number of bed-bound patients in chronic beds, nursing homes, and homes for the aged. The decline in the number confined to bed might also cut down on the chronic bed shortage. They also recommend the creation of a sub-professional category of foot care technicians trained by orthopedic surgeons and podiatrists.

B.11 As a result of this report, training sessions have been held at various nursing homes, etc. by the St. Joseph's Hospital Foot Clinic, with the assistance of podiatric and medical volunteers.

B.12 Problems of older people are of course more severe for those lacking the wherewithal to have their needs met by reliance on their own financial resources.

THE BARTON STREET JAIL

B.13 Another area that affects the poor more than the more affluent is corrections. The inmates of jails are apt to be of low-income, and conditions in the Barton Street Jail are bad, even after recent renovations. These conditions have been a constant source of condemnation by Grand Juries. One renovation consisted in construction of two $4\frac{1}{2}$ x 8' interviewing cubicles, without doors and with walls not reaching the ceiling. The facilities make segregation of offenders difficult especially for females, with the result that hardened offenders are able to have a corrupting influence on others in for very minor offenses, especially among the females. It must also be recognized that most persons in the jail have not been convicted and must be presumed innocent. The appearance of the building is institutional, in spite of attempts to cheer it up by renovation. Over-crowding is very serious, both for the residence area for prisoners and for the staff facilities. The Social Planning and Research Council made the following recommendations in a Brief to the Honorable Allan Grossman, Minister of Correctional Services, Province of Ontario, About the Need to Replace Barton Street Jail in Hamilton as Soon As Possible:

RECOMMENDATION I That the Task Force established by the Minister of Correctional Services to appraise the conditons of the 37 jails across the Province look upon Hamilton as a top priority area for a new regional jail so that construction can begin as soon as possible.

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RECOMMENDATION II — That the Task Force consult with the Hamilton-Wentworth Regional Detention Centre Board to take full advantage of the knowledge which the Board has accumulated during many months of planning a regional centre.

RECOMMENDATION III — That Barton Street Jail in Hamilton be replaced as soon as possible by a regional detention centre with suitable facilities for incarceration and rehabilitation.

SKID ROW

B.14 The Council also issued a report, The Findings of the Study Committee - Single, Unemployed Men's Report, with recommendations regarding the skid row population:

AREA I - GENERAL RECOMMENDATIONS

RECOMMENDATION (a)

"That a network of referral, treatment, and rehabilitation services for single, unemployed men be clearly established in Hamilton; all groups must play a co-operative part in this network if it is to be successful."

RECOMMENDATION (b)

"That appropriate responsibility be determined among the services and agencies in Hamilton which work with the chronic drunkenness offenders among Single, Unemployed Men."

RECOMMENDATION (c)

"That the Addiction Research Foundation be approached by the Social Planning and Research Council to take leadership on a permanent basis in the treatment of chronic alcoholics and in organizing and co-ordinating existing services."

AREA II - MEDICAL DIAGNOSIS AND TREATMENT

RECOMMENDATION (a)

"That a detoxication and diagnostic centre for alcoholics be established in conjunction with one of the existing community hospitals."

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RECOMMENDATION (b)

"That until a detoxication centre is established, hospitals be encouraged to improve their emergency and admitting services to drunks so that a sound medical diagnosis can be made when illness or injury is suspected."

AREA III - POLICE AND COURTS

RECOMMENDATION (a)

"That a change be made in the law which deals with drunkenness offenders to allow the full potential of a detoxication centre to be realized. This will require the support and co-operation of the Police, Justices of the Peace, and Magistrates."

RECOMMENDATION (b)

"That the police and courts ask the Provincial Probation Services to provide Probation Officers for 'Drunk Court' so that some offenders may be properly referred to psychiatric clinic for examination; sentences might then be based on psychiatric assessment and pre-sentence reports."

AREA IV - RESIDENTIAL FACILITIES

RECOMMENDATION (a)

"That more half-way houses be established to fill the gap between detoxication and treatment centres and the community."

RECOMMENDATION (b)

"That special residences, farms and institutions be established as permanent or semi-permanent homes for Single, Unemployed Men in need of these resources."

RECOMMENDATION (c)

"That sheltered workshops centred around work and work opportunities be available to those suitable among Single, Unemployed Men to provide a 'middle-ground' between jail or hostel and the normal labour market, and to teach at least some simple skills or techniques from which a man can make a reasonable beginning in employment."

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RECOMMENDATION (d)

> "That Day Care Centres be established in the downtown area of the city so that the hostel population as well as lonely men living alone in single rooms, etc., have a place to go and participate in organized programs or just to relax and chat."

RECOMMENDATION (e)

> "That existing hostels and future facilities be encouraged to more specialized work with the diverse groups known to exist among Single, Unemployed Men. The hostels cannot be all things to all people and the community should not expect this of them."

AREA V - EDUCATION AND RESEARCH

RECOMMENDATION (a)

> "that the Alcoholism and Drug Addition Research Foundation be lauded for its campaign to educate the public about the dangers of alcohol and drugs and that this education be introduced into the schools as soon as possible."

RECOMMENDATION (b)

> "That a cost-study be made by the Addiction Research Foundation of services presently given to chronic drunkenness offenders and drug addicts in Hamilton to ascertain if there are methods of dealing with them that are more economical as well as more productive than present methods."

B.15 While recommendations on skid row have for the most part not been implemented, the interest and concern on the part of the Social Planning and Research Council and of others in the community continues.

DEBT COUNSELLING

B.16 More successful has been the involvement with the problem of overindebtedness, where recommendations have largely been acted upon. The Report on the Provision of Service for Overindebted Families in Hamilton and District relates to concern within Hamilton and District about the need for and availability of debt counselling. While debt is a problem of families at any income level, it is especially pressing as a problem of the poor.

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Because the Social Planning and Research Council felt:

a) that the establishment of a new agency to counsel families involved in debt would be uneconomical;

b) that specialized credit counselling services do not seem able to provide a comprehensive service which might recognize and help clients deal with emotional, personality or family problems related to the debt situation;

c) that it would not be advisable, therefore, to set up a specialized agency in Hamilton to provide credit counselling service;

d) that it would be in the best interests of the community that the budget counselling services of the Family Service Agency and the Catholic Social Services be expanded to deal with a larger number of families than at present;

e) that financial support for this programme should come from a broad base across the community. Support from credit grantors, business, industry, labour and various levels of government could be expected to supplement funds assigned to the programme by the agencies out of their normal budgets.

It Recommended:

I That the Budget Counselling Services of the Family Service Agency and the Catholic Social Services be operated as separate departments within the Agency structure, but with budgets distinct from the general agency budget;

II That the two family agencies take the initiative in establishing a body which might be called the Debt Management Advisory Board, of which no more than half the members should be nominated by the Family Service Agency and the Catholic Social Services. The other members should represent the community at large, e.g., credit grantors, industry, labour, the social welfare field, the legal profession, and consumer groups;

III That any developments in the policy or programme of the Budget Counselling Services of either of the two family agencies be made in consultation with the Debt Management Advisory Board and the United Appeal;

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IV That the Debt Management Advisory Board be responsible for expanding the service presently provided to the community by the Budget Counselling Services of the two agencies. In order to accomplish this, the Advisory Board should have the following functions:

a) To ensure the co-ordination of the activities of the budget counselling department of both agencies;

b) To advise the Boards of Directors of both agencies in matters relating to the Budget Counselling Service;

c) To develop, in consultation with the United Appeal, the financial resources required to enable the expanded services to be operated effectively;

d) To act as liaison between the Budget Counselling Service and the business and credit community, between the Budget Counselling Service and the groups or institutions through which therapeutic or preventative educational programmes might be developed, and between the service and neighbourhood centres where service is required and would be considered useful;

e) To establish and maintain a planning and research sub-committee charged with the responsibility for evaluating the procedures used by the agencies and the results obtained, and recommending policies designed to reduce the extent of indebtedness in the community at large;

f) To recruit volunteers to act as counsellors;

g) To establish a programme of training, as required, for volunteer or paid credit counsellors;

V That the Debt Management Advisory Board be set up in such a way that its structure and method of operation can be readily modified if this proves to be necessary.

INFORMATION CENTRES

B.17 Another timely area in which the Council has been involved is relative to the importance of information and referral centres. The Council conducted a pilot project in Burlington and has issued reports stressing the importance of a central information agency and neighbourhood information centres. The Report of the Ways and Means Committee on Developing Neighbourhood Services sets out a plan for a Central

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Information Service and a network of Neighbourhood Information Centres designed to provide a comprehensive information service for Hamilton and district residents. The basic purposes of the information service would be to help the general public use more effectively available health, welfare and social services (both public and voluntary) and to identify unmet needs. The network of Neighbourhood Information Centres would be developed over a period of time.

B.18 The whole area of information in our society has been stressed in recent months in discussion around the report of the Federal Task Force on Government Information and discussion of Information Canada. Essentially, the point is that many people in our Country are unaware of where to turn with any of a variety of problems - governmental, personal, etc. The availability of services for the poor and indeed for all Canadians is little more than hypothetical unless people have some way of learning of these services, and the existence of information centres also makes possible the identification of lacks in needed community services.

B.19 The first phase would involve the establishment of a Central Information Service as the core unit, and the co-ordination of existing or embryonic neighbourhood and specialized information centres to form a flexible network relating both to the Central Information Service and to the citizen in his own neighbourhood. The second phase would involve the development of additional Neighbourhood Information Centres which could be added to the network as special needs were identified in certain neighbourhoods and as resources were developed to support new centres. It is recognized equal coverage of different areas in the city and district would not be provided in the early phases in developing the network, as the location of Neighbourhood Information Centres is likely to depend largely on the initiative of local groups.

B.20 Many people are uncertain as to what they are entitled to under legislation or where to go in a community for various kinds of hlep, be it around physical problems, need for financial assistance, emotional difficulties, etc. Such uncertainty is especially characteristic of poorer people, who lack the right "connections" and who are less sophisticated about resources.

B.21 The basic purpose of an information agency is to help the general public utilize more effectively the available health, welfare and social services in the community, the identification of unmet needs, and the prevention of social ills.

B.22 From this basic purpose, these functions follow:

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1. To provide information regarding health, welfare, and social services to individuals and to co-operate with groups and agencies to provide information and make known the services that are available.

2. To refer individuals, or others inquiring on their behalf, to the appropriate health, welfare, and social services. This can be achieved by obtaining factual information through telephone or personal interview to determine the agency resource suitable to the need. Adequate information should be given to the client which will enable him to choose appropriate resources. If indicated, appointments should be arranged for the client.

3. To interpret services provided by community agencies and to make available to those auspicies information regarding other services.

4. To interpret legislation.

5. To assemble data concerning unmet needs, gaps in services, changes in social conditions and other pertinent material regarding services and to bring such information to the attention of the appropriate planning, research and co-ordinating body.

6. To maintain information regarding community health, welfare, recreation and other social resources.

7. To maintain and distribute appropriate directories and special informational folders.

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CHAPTER 1

AIMS AND APPROACHES

CHAPTER 1

AIMS AND APPROACHES

A BRIEF HISTORY OF THE STUDY

1.1 The Study of Poverty in Hamilton was launched in May of 1969, when the Board of Directors committed the Council to preparing a brief to the Special Senate Committee on Poverty. The Council's Research Advisory Committee and its Committee on Poverty, whose responsibility was to prepare the brief for the Senate Committee, after considering alternative types of study, agreed that what was required was a broad overall picture of poverty in our city. Accordingly, an interview schedule was set up to provide information on a wide range of topics - housing, recreation, shopping habits, participation in organizations, education, employment, family problems, political involvement, and attitudes, as well as the usual demographic material. Interviewing began in late October of 1969 and continued until early February of 1970. Just over 200 interviews were carried out. The data were processed at the McMaster University Computer Centre under the direction of Dr. Franklin Henry of the Department of Sociology.

GENERAL AIMS OF THE STUDY

1.2 The precipitating purpose of the study was to provide the Senate Committee with a broad, factually based picture of poverty in an urban industrial area. In parts of Canada which have not yet industrialized, the first suggestion that might be made for reducing poverty might be to establish industry. But even in an industrialized community, poverty persists. Since Canada is rapidly urbanizing, the poverty to be found in an area such as our own may well be the kind of poverty with which this country will increasingly have to deal.

1.3 After considering the type of study which might be most useful, it was agreed that our first priority should be given to an attempt to interview an unbiased sample of all the families in Hamilton falling below our poverty lines for 1969.*

*The poverty lines and the rationale behind them are set out in Volume 1 of our brief to the Special Senate Committee on Poverty. The poverty line for Hamilton in 1969 for a single person was $2,200; for a couple, $3,200; for a family of 4, $4,800; for larger families, progressively more, up to $7,700 for a family of 8.

1.4 This approach seemed the most appropriate for several reasons. First, the Senate Committee's responsibilities were wide, "to investigate and report upon all aspects of poverty in Canada . . .to define and elucidate the problem of poverty. . .and to recommend appropriate action." In keeping with the Senate Committee's broad interests, it seemed desirable to present as inclusive a picture as possible of the Hamilton situation. Secondly, this approach seemed to match well with the objectives of a social planning body. Two of the basic purposes of the Council are to conduct community-wide research and to engage in community-wide planning. No other body has this kind of responsibility in the social welfare field, and no other type of body seemed likely to present an integrated picture of the different types of poverty in an urban community. Furthermore, it appeared that no other Council in the country was likely to be doing original research for this purpose. It seemed, then, that a unique and valuable contribution could be made by carrying out this kind of a study.

1.5 From another point of view, it was felt that a survey of an unbiased sample of all the poor throughout the city would be valuable simply because other studies had taken different kinds of sample.* The closest parallel in Canada has been the Canadian Welfare Council's National Urban Low-income Family Evaluation, which differs in two major respects. First, it was focussed on low-income areas, and hence, omitted the poor in other parts of the cities in which it was carried out.** Second, it defined its target population in terms of income alone, without respect to family size and, hence, obtained a low-income sample rather than a poverty sample, in our sense of the term.*** Other studies carried out in this country, while making valuable contributions, have been focussed still more finely on specific age groups, geographic areas, racial or ethnic groups, or on recipients of agency services. Thus, quite apart from its value to the Senate Committee or for our own local purposes, the study would break new ground in poverty research.

1.6 For its own on-going purposes, the Council felt that there were two further objects to be served by a study of this type. First, it could provide a basis for comprehensive anti-poverty planning. Health and welfare programs are, generally speaking, the responsibility of the provinces. Municipal governments undertake many programs

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* No similar study with the same type of sample has been undertaken elsewhere in Canada, nor, to our knowledge, in the United States. Nor has a similar study been carried out in Scandinavia.

** The general guideline was that census tracts in the bottom quartile in terms of wage earner family income were to be included.

***All households reporting an annual income of $5,000 a year or less were to be included regardless of household size. A small number of households above that level were also to be interviewed for comparative purposes, again without respect to household size.

which affect the well-being of the poor. Voluntary agencies are involved as well. Thus, an overall analysis of the poverty situation in the Hamilton area seemed to have potential influence on many groups besides the Senate Committee. We also expected that our influence with many of these groups would be enhanced by a knowledge of the total situation. Further, much of the data required in making a presentation to the Senate Committee would be equally useful in supporting recommendations to other bodies.

1.7 It was also hoped that the study would provide a basis for more adequate public education programs. We have been convinced that public interest in poverty is high. But it has been difficult for us to present a balanced view of poverty, because no one has brought together the answers to such fundamental questions as, "Who is poor?"; and "What are the circumstances they live in?".

1.8 Effective anti-poverty programs depend on public support. This support is, in many instances, difficult to obtain. We hope that the ability to present a comprehensive, factually based, picture of poverty will be useful in moving public opinion to support measures that can be shown to be necessary.

SOME LIMITING FACTORS

1.9 In defining our areas of study, the difficulty was not one of suggesting possibilities, but rather one of selecting those of greatest promise. As we have indicated, our intention was to provide a broad picture of poverty. As we have also indicated, research in Canada has generally been focussed on quite specific categories among the poor. Accordingly, it has left many general questions open. Our problem was to determine how much could be done, and to set priorities within our limitations.

1.10 The outside limits on what could be accomplished were set by four factors: 1) time; 2) finances; 3) interview length; 4) our current state of knowledge. Each of these factors deserves some comment.

1. Time

1.11 If the results of our study were to be of value to the Senate Committee, it appeared that it ought to be completed as early as possible in 1970. In the time available, something relatively modest would have to be attempted, perhaps a survey of three or four hundred families, with a write-up of the most salient features of the data, including some consideration of their policy implications. This could be followed by more intensive analysis if the data appeared to warrant it.

2. Finances

1.12 Had time been available, it would have been possible to seek out some additional sources of outside funding.* Under the circumstances, however, it was necessary to rely on the core budget of the agency plus a grant of $1,500 from a local foundation.**

1.13 Within this limited budget, it was clear that the major work of the study would have to be carried out by full-time staff of the agency and that a considerable part of the interviewing would have to be done by volunteers.

3. Interview Length

1.14 Circumstances seemed to dictate that we aim for an interview that could be completed in about an hour. We wanted to cover as much ground as possible, but longer interviews would have sharply reduced the number of families who could be interviewed in a day. Granted that volunteer interviewers would have to be relied on for a substantial portion of the interviewing, this loss in efficiency could not be accepted.

1.15 Another consideration was that we would be interviewing a sizeable number of people past retirement age, and some also who were unemployed because of illness. We did not want to ask them to agree to longer interviews.

4. Current Knowledge

1.16 As we have indicated, our current state of knowledge concerning poverty in Canada is very limited. This has left us with a good many unanswered questions, and a good many areas in which research could be profitably done. But it also raises questions as to how far we should attempt to go in a single study. Since we had little previous research to go on, we had little indication, in many areas, of what we were likely to find. Accordingly, it would not make a great deal of sense to go into some of these areas very extensively at the expense of others.

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* Not that we know of a likely prospect - but we could have tested possibilities.

**The Foundation wishes to remain anonymous.

1.17 In summary, when we analyzed the limitations we were working under, it appeared that the best approach was to aim for a survey in which perhaps three hundred interviews would be carried out - a large portion by volunteers. The interviews themselves should not run much longer than an hour and they should not be too strongly concentrated in any single area.

AREAS OF STUDY

1.18 With these guidelines in mind, the questions that might be answered by the study could be considered. These were examined in terms of the general objectives of the study as we have set them out above. After examining what would be needed to meet each of these objectives, it was concluded that there were four fundamental questions that would have to be answered:

1) Who are in poverty?

2) What are their living conditions?

3) What are their attitudes and way of life?

4) How do they differ from those who are not in poverty?

1.19 The kind of data that would be sought for to answer each of these questions must be spelled out.

1. Who is in Poverty?

1.20 In other studies, a number of demographic characteristics have commonly been found to be associated with poverty - age, family size, education, ethnicity, and the like. It would certainly be necessary to examine the relationship between factors such as these and the prevalence of poverty, if we were going to provide an integrated picture of the kinds of poverty that exist in Hamilton. This could be useful in pointing up some of the unique features of the Hamilton situation.

1.21 Furthermore, in terms of policy, this type of information is crucial. First, because it helps to define the population towards which remedial programs must be directed. Second, because it helps us to clarify the causes of poverty.

1.22 If, for example, we were to find that where the family head was between 35 and 45, a high proportion of families were in poverty,

we would learn two things. This would tell us, first of all, that there is a stage in the family life cycle at which families are most poverty prone. Second, it would suggest a partial explanation of poverty - that in the years when families are largest, family incomes are less likely to be adequate than before the family is fully formed or after some children have left the household.

1.23 To provide a clear picture of who was poor in Hamilton, several topics appeared to require examination.

a) Geographic Mobility

How many of the poor in Hamilton are migrants from other areas of Canada - the Maritimes, for example?

How many are recent immigrants?

Are people from rural backgrounds more likely to be in poverty?

b) Education

How many of the poor have substandard education?

How many are working to upgrade it?

How many have so little education that they cannot be accepted in upgrading programs?

c) Economic Status of the Past Generation

Are the poor likely to come from families that have been poor?

d) Ethnicity and Religion

Do some ethnic or religious groups have more poverty among their numbers than others?

e) Age and Sex of the Household Head

What proportion of families in poverty have female heads?

Are there particular stages in the family life cycle when poverty is more prevalent?

1.24 It should also be mentioned that there are two topics under the general question of who is poor that we considered to be important but which we have not included in the list above because they have already been largely answered. The first has to do with the proportion of the poor who are receiving governmental income support. This could be answered more effectively from agency records. The second has to do with family size. Estimates of the proportions of poor families at different sizes had already been made. These are found in Volume 1 of our brief to the Special Senate Committee.

1.25 It should also be mentioned that the degree to which these questions could be answered by our survey was limited by the size of the sample we expected to obtain. This would affect some questions more than others. But in each case, we expected that we would be able to learn something important. The results are indicated in Chapter 3.

2. What are Their Living Standards?

1.26 The second fundamental question that had to be answered was that of the living conditions of the poor. While many definitions of poverty have been based on the cost of providing for family needs, surprisingly little study has been devoted to how people live when their incomes are below the poverty line. This was an area in which new ground in Canada could be broken, and in which it appeared that there would be policy implications for all levels of government. If it were to appear that on an income below our poverty lines there was serious difficulty in maintaining adequate living standards, it would imply a need for more adequate income support programs, improved housing subsidies, or similar measures.

1.27 This area was also of considerable importance for public education. If people are living in inadequate conditions, but no one knows how many of them, or how difficult their situation is, then a clear case for change cannot be presented to the public. We wanted to be able to specify the dimensions of deprivation in a form the public could understand.

1.28 The question of living standards could be approached from many different angles. It seemed reasonable for us to look at it from two points of view - from the point of view of income disbursement and from the point of view of the quality of life that this produced. The question of how income was disbursed had two important facets. First, whether people could budget so as to have a reasonable amount left over after providing the necessities of food, clothing and shelter. Second, whether there were inefficiencies in the way their money was spent. This is a more difficult issue to pin down. But some things could be examined - the amount spent servicing debts, for example.

1.29 Assessing the quality of life is much more complex. Different facets can be considered. Different standards of adequacy can be applied. Too, there is often difficulty in measurement. How, for example, does one determine the adequacy with which a family is clothed? (Not that this question could not have been tackled, but it is a very complicated issue.)

1.30 It was decided that because of the limited space available in the questionnaire, and because it was desirable to produce results in a form easily communicable to the public, we ought to use easily defined, quantifiable measures and to try to avoid hard-to-capture subtleties. On this basis, it was possible to work out some useful measures of the quality of living experienced by the poor.

a) Housing Adequacy

1.31 There is only one measure of housing adequacy which is widely used in Canada. This is the ratio of persons to rooms. This could easily be determined. It was also felt that it would be possible to determine whether or not some easily observable defects were present - missing plaster, sagging floors, and the like. These measures of housing quality could be balanced against the amount paid in rent and the level of satisfaction the family felt with its accommodation.

b) Household Appliances and Conveniences

1.32 Whether a family had an appliance or convenience could be easily determined. We decided to ask about such things as radio, television, the telephone, refrigerators, and the like.

3. What are Their Attitudes and Their Way of Life?

1.33 There has been much discussion in recent years over the existence or non-existence of a "culture of poverty". Some of the characteristics that have been said to be common to the poor include political apathy, anger or despair over their situation, disinclination to participate in organizations, a tendency to live in their immediate neighbourhoods, a preference for light entertainment, and a tendency to live for the moment. Others have been suggested, but these will serve to illustrate.

1.34 It was clear, in terms of the limited amount of material that could be included in our questionnaire, that we could not examine all of these areas in detail. We chose to focus our attention on three areas:

a) participation in organizations and in political life;

b) recreational habits;

c) certain attitude areas.

Since our interests in each of these areas were somewhat different, we will spell them out separately.

a) Participation in Organizations and in Political Life

1.35 It is frequently alleged that the poor are cut off from the mainstream of our society, and that in particular, they are uninvolved in our political system. If this is so, it is likely to have important consequences. First of all, it will mean that others in our society will have little contact with the poor and little appreciation of their situation. Second, it will mean there will be little political incentive to improve their situation. Third, it will raise the possibility that poor people, cut off from the rest of society, will develop their own sub-culture, perhaps including such values as early school leaving, cynicism towards the major institutions of society, and the like.

1.36 In view of these possible consequences, it seemed to us to be important to determine whether the cause was really present. We decided to ask our respondents about the kinds of organizations they belonged to, how often they attended meetings, and whether they held any executive positions. We could also ask about their interest in elections, and their attitude to the current attempts to organize low-income people to press for change.

b) Recreational Habits

1.37 We were interested in the use of leisure time for some of the same reasons for which we were interested in organizational participation. If the poor, for example, rely for their social lives on close relatives, and confine their reading to light fiction, we are presented once again with the possibility that a sub-culture has developed or will develop. We were also interested in recreation from the point of view of expense. What does a family do when it cannot afford the same recreation others enjoy? We felt that this question had implications both for policy and for public education.

1.38 In order to tackle these questions, we decided to ask the families:

i) how much they spent on recreation (and what for);

ii) how often they visited friends and relatives, how many people they visited, and how far away the people they visited lived;

iii) how much time they spent reading, watching television and listening to radio, and what sorts of things they liked to watch, read, or listen to;

iv) whether they had any hobbies and, if so, what these were.

c) Attitudes

1.39 A multitude of questions could have been asked to elicit attitudes. In view of the limited space in our questionnaire that could be devoted to attitudes, we decided to concentrate particularly on our respondents' attitudes towards their own situations in life. These seemed to be particularly important for policy. How satisfied are the poor with their housing, for example. What improvements would they like to see made? If they had more income, how would they spend it? This kind of question seemed to have potential for indicating where policy recommendations might focus.

1.40 Secondly, we felt that there were many questions that could be asked that provided information useful for public education. For example, what is the attitude of a person receiving public welfare to the fact that he is doing so? This example, like most others that could be given, also could have a bearing on policy.

1.41 Since attitude questions have been posed on a variety of topics, it is difficult to indicate briefly just what questions we have asked. Perhaps it is best simply to say that we have asked:

i) several questions about our respondents' satisfaction with their standards of living, including what they would like to do if more income were available; and

ii) several more on their satisfaction with the non-financial aspects of their situation - for example, "Are you doing things that make full use of your abilities?".

The replies to some of these questions will be discussed in Chapter 4, others in Chapter 5.

4. How Do They Differ From Those Who Are Outside of Poverty?

1.42 Our fourth major area of study, namely, the differences between the poor and the non-poor, is linked closely to each of the preceding three. It is important to make this comparison in each of the preceding areas in order to be certain we do not mistake a more general characteristic for a characteristic of the poor alone. If, for example, we were to discover that few of the poor were involved in political affairs, and also that few people just above the poverty lines were involved, this might be interpreted quite differently than the simple finding that the poor were inactive. In the latter case, we might be tempted to believe we were dealing with a "culture of poverty". In the former case, it would be clear that we were dealing with something larger and much more difficult to deal with. To put it more directly, it is necessary to make this kind of comparison in order to clearly define the kinds of problems we are dealing with.

1.43 These comparisons are also important for public education. If people are to understand what poverty means, they require a standard of comparison. We felt that it would be helpful if we could spell this out concretely, rather than leaving people to make their own distinctions.

1.44 Finally, we felt that making comparisons of this kind would be of value in specifying more precisely the nature of poverty in this country. Previous studies have often made no systematic attempt to compare groups in poverty with those outside of it. We felt that to do so would break worthwhile new ground.

1.45 Our approach to these comparisons was to draw a sample that would include families above our poverty lines as well as below them, and in each section of our analysis, to compare the families at different levels. The results of this can be found throughout Chapters 4 and 5.

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CHAPTER 2

METHODS

CHAPTER 2

METHODS

2.1 In this chapter, we will briefly outline the methods by which the study was carried out. Readers who are interested in our methods from a more technical point of view will find a fuller discussion, both of why the study was carried out as it was, and of the strengths and limitations of our methods, in Appendix "A".

1. SAMPLING

2.2 Our sampling procedure involved two steps. First, we obtained a computer printout from the City's Assessment Rolls showing name, address, occupation, and family size for every family head residing in a dwelling unit assessed at $2,500 or less. From the printout, we drew a systematic sample* of families, and removed cases where the head's occupation and the number of children clearly indicated that the family was not in poverty. When there was any reasonable doubt, the family was included so as not to run the risk of biasing our sample of the poor.

2.3 It was difficult to estimate beforehand how often this would lead us to include a family which was not in poverty. But it appeared that this might occur in perhaps one-third of the cases. Since we had no way to eliminate these errors without running the risk of biasing our poverty sample, it was decided that rather than aim to eliminate them, we should allow them to occur, and use the respondents obtained through them for comparative purposes.

2. SAMPLING BIAS

The Poverty Sample

2.4 It is important in any survey to know what biases, if any, are found in the sample. In our case, this was underscored by the fact that our final sample was smaller than we had hoped for. We completed just 202 interviews and, of these, only 106 were with families below the poverty line.

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*In systematic sampling, every nth case from a list of possible respondents is taken.

2.5 Essentially, this meant that we would have to check to see whether independent estimates of the characteristics of the poor would match with what we found in the sample. We approached this in terms of family income (by family size) and income sources. In each case, we were able to prepare independent estimates for comparison. Let us begin with the latter.

2.6 We were able to make estimates of the number of single parents, the number of senior citizens, and the number of families receiving general welfare assistance who would be found if the sample were unbiased. A comparison of these estimates with figures in our sample is shown in Table 2-1.

TABLE 2-1

Percentages of Poor Families Relying on Selected Income Sources, Estimated from Sample and from Other Sources

	Single Parents	Welfare Recipients	Senior Citizens	Other
Sample	12	11	19	58
Other	17	12	19	52

2.7 It will be noted that with one exception, that of single parents, the figures are remarkably close. While sampling error* could be used to account for the differences in the two estimates on the number of single parent families among the poor (a difference this great would occur by chance more than once in ten occurrences), there is another explanation that seems more appropriate.

*The term "sampling error" refers to the possibility that we may get an inaccurate impression of what the group we have drawn our sample from is like because of the size of our sample. That is, if we had interviewed all of the poor families in the city, there would be no possibility that we had gotten a non-representative group. But, as the sample becomes smaller, the possibility of getting a non-representative group increases. The chances of making a mistake because of this can be worked out mathematically. Whenever we want to be careful not to be misled in this way, we can work out the amount by which our sample might be reasonably expected to be in error.

2.8 We attempted to determine some of the characteristics of the people we failed to interview through refusal, movement, or simple inability to contact them. We were able to check for ethnicity by examining the names of the families we failed to interview. No difference was found between them and the families we did interview. We were also able to check to see how many families receiving Family Benefits and General Welfare Assistance had been lost. This was done by providing lists of those we had failed to interview to the program administrators and asking them to tell us the number of families who were receiving assistance. Names, of course, were not requested. From the numbers obtained, it was quite clear that the loss of General Welfare recipients could be attributed to chance, but that we had lost a higher than chance proportion of Family Benefits recipients. Had we not lost a higher than chance proportion of Family Benefits recipients, the proportion of single parents in our sample would have risen, probably to about sixteen percent. This is very close to the proportion estimated from other sources.

2.9 In general, then, in this respect our sample appears to be quite good. Let us see how it fares in terms of family income by family size.

2.10 We have prepared estimates of the number of families to be found at different distances below the poverty line for our estimated income by family size distribution for Metro Hamilton for 1969.* These estimates are compared with the actual results of our survey in Table 2-2. (This table is equivalent to Table 4-1.)

TABLE 2-2

Poor Families by Distance Below the Poverty Line, in Percentages

Distance Below Poverty Lines	0-$499	$500-999	$1000-1499	$1500-1999	$2000 or More	Total
Sample	24.1	21.8	16.1	11.5	26.4	99.9
Estimated Distribution	20.6	18.0	14.6	11.9	34.9	100.0

*For the procedures used in drawing up this estimated distribution, see Appendix A of Volume I of our brief to the Special Senate Committee on Poverty.

2.11 It will be seen that the families in the sample tend to be somewhat closer to the poverty line than might have been expected. But the difference between the sample and the estimated distribution is far from significant.* In this respect, too, our sample seems to be quite satisfactory.

2.12 Since income adequacy and source of income were the two most potent variables in explaining differences among our respondents, the close match between our sample and independent estimates suggested that the sample was an essentially good one. But we wanted to test the possibility of bias arising from the fact that our sample did not include anyone living in a home assessed at over $2,500.

2.13 It was possible from our estimate of the numbers of the poor in Hamilton and from our experience in sampling to estimate the proportion of poor families who lived in units assessed at $2,500 or below.** It appeared that the best estimate would be that about one-half lived in units at this value.

2.14 We could test for biases resulting from this by going back to the Assessment Rolls, from which we had drawn our sample. A systematic sample of dwelling units indicated that about one-half of the families in the city lived in dwelling units assessed at under $3,500. We knew beforehand that about one-fifth lived in units assessed at below $2,500. Since one-half of the poor families in the city were living in housing assessed in the bottom twenty percent for family units, it seemed reasonable to think that only a relatively small minority would live in units assessed outside the bottom half. In other words, we would expect to find the vast majority of the poor who were missed by our sample living in dwelling units assessed at between $2,500 and $3,500.

2.15 If this is so, then a comparison of families living in dwelling units assessed between $2,500 and $3,500 with those living in units assessed at $2,500 and below should give us a reasonable idea of whether our sample has been biased in respect to other matters besides the assessed value of housing.

2.16 From the Assessment Rolls we were able to determine: tenure, location (by ward), type of dwelling (apartment, duplex, etc.), occupation, religion, and ethnicity. It was clear from our sample that there were no significant differences between people living in units assessed at under $2,500 and people living in units assessed at $2,500-$3,500 in terms of ethnicity, religion or

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* The Kolmogorov-Smirnov test yields $P > .20$

**The procedure is outlined in Appendix A

occupation. Combined with our previous knowledge that our sample was not biased in terms of sources of income or income adequacy, the discovery that it was not biased in terms of occupation indicated that it was not biased in terms of education.

2.17 There were some relatively small differences when we looked at housing as such. People in units assessed at between $2,500 and $3,500 were more likely to own their own homes, to live in single detached dwellings, and to live outside the major concentration of inexpensive housing. We have interpreted our data on housing with these differences in mind. But the differences are not major, and seem quite unlikely to have affected any of our conclusions.

2.18 In writing this report, we have kept in mind the biases in housing that we know are present. We have also kept in mind such other lesser biases as we have found. Whenever our results appear to have been influenced in any important way by the biases of our sample, we have mentioned it.

2.19 The reader will find, however, that most of our conclusions are not qualified in this way. In most cases, we have found no reason to believe that our results have been affected by sampling bias. The reader who would like more detail on this question should consult Appendix A.

The Comparison Group

2.20 The usefulness of our comparison group, of course, would be determined by how representative it was of families just above the poverty line. The two major potential sources of bias appear to be these:

1) no one in a dwelling unit assessed at over $2,500 is included;

2) no one whose occupation and family size would indicate clearly that he was not in poverty is included.

1) $2.500 Limit

2.21 It is certain that a sizeable number of families near the poverty line live in dwellings assessed at $2,500 or more.

2.22 As we have seen, however, there do not seem to be very great differences above and below an assessed value of $2,500. There is nothing magical about an assessed value of $2,500. But even if the differences between those above and below the sampling cut-off point are unlikely to be major ones, we have been cautious when making comparisons where they might play a part.

2) Occupation and Family Size

2.23 It appeared in drawing the sample that there were three major reasons why it might be unclear whether a family's earnings would place it above the poverty line. The first was that the occupation was vaguely stated - "salesman", for example. The second was that we ordinarily had no way of guessing how much experience a person had had. The third was that in cases where the family head worked in a non-unionized field or, sometimes, a non-union shop*, we were unsure how much we could assume about starting rates.

2.24 The second of these factors did not appear likely in itself to bias the non-poverty sample. The first and third factors each appeared to produce a lower than chance representation of families whose heads worked in manufacturing industries. Accordingly, we checked within our sample to see what differences there were between families headed by people in manufacturing and families headed by people in the service industries. When significant differences occurred, we took these into account if we wanted to make a comparison between our poverty sample and our non-poverty sample.

3. INTERVIEWING

2.25 Each interviewer was given a brief list or lists of families to be contacted. He was also given a supply of letters to be addressed, signed and mailed to prospective respondents two or three days before he planned to call. The letter provided a brief explanation of the study. Upon arrival, the interviewer was instructed to mention that he had sent a letter and the fact that the responses would be confidential.** Interviewers were provided with identification cards in case they were necessary.

2.26 The questionnaire*** was organized on the premise that it ought to begin with emotionally neutral questions that no one would mind answering, then move gradually into areas that might be more emotionally charged, and then conclude with questions that were again quite neutral.

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* The Assessment Rolls do not indicate where a person works. However, in cases where this seemed relevant, we checked with Vernon's Directory, which does indicate place of employment.

** The letter and the interviewer's instructions are found in Appendix "C".

***The questionnaire is found in Appendix "B".

2.27 In point of fact, little difficulty was experienced with any of the questions. Most respondents showed no offence at any of the items, and only a small number refused to answer specific questions. As happens in so many studies, the only question that seemed to bother any number of respondents was the one in which the family's annual income was requested.

2.28 Of the 350 homes on which calls were made, 202, or fifty-seven percent, yielded interviews. This appears to be normal, or perhaps somewhat better than average. The only unusual thing was that we lost more respondents through changes of address and fewer through refusal or inability to contact the respondent than is common. Perhaps this should not seem so surprising, however, since it is frequently pointed out that very low income families are likely to move often.

4. ANALYSIS

2.29 In view of our sample size, it seemed best to begin our analysis by obtaining a series of basic cross-tabulations, in terms of education, source of income and the like. After examining some seven cross-tabulations, we decided to obtain three more in terms of two variables at a time. We also obtained a number of specific tabulations of one item in terms of another.

2.30 In examining the data, it became clear that one construct was more potent than any of the others in explaining our findings. This was a measure of income adequacy. Since it is used frequently throughout the report, and since it is unique to the study, we should like to spell it out.

2.31 The basic method of measuring income adequacy was to determine the distance between a family's income and the poverty line for its family size. The poverty lines, as worked out in the first volume of our brief to the Special Senate Committee on Poverty, are as follows:

POVERTY LINES FOR HAMILTON IN 1969 BY FAMILY SIZE

A single person	$2,200
2 person family	$3,200
3 person family	$4,100
4 person family	$4,800
5 person family	$5,600
6 person family	$6,300
7 person family	$7,000
8 person family	$7,700

2.32 One possibility that could not be overlooked was that the data from our survey would suggest that these poverty lines were inappropriate. Had that been the case, we would have employed survey data to construct another series. However, as is pointed out in Chapter 4 and again, in more detail, in Chapter 7, the general levels of our poverty lines were supported by the evidence from our survey.

2.33 These poverty lines were developed on the assumption that if a family had to spend seventy percent of its income after income tax to obtain satisfactory food, clothing and shelter, it should be considered to be in poverty. The figure of seventy percent was used in order to provide a basis of comparison between our poverty lines and the national figures employed by the Economic Council of Canada. The Public Welfare Department advised us as to the amounts that its clients ordinarily felt they required for food, clothing and shelter. The total of these figures at each family size was set equal to seventy percent of the income required, after income tax, to escape from poverty. The figures were increased upward to take account of the effects of income tax, then reduced by the value of family allowances. The result was a series of poverty lines for Hamilton in 1969, in terms of the amount of income a single earner would have to earn to bring a family out of poverty.*

*Readers who desire more detail on the construction of our poverty lines will find an extended treatment in Chapter 1 of Volume I of our brief to the Special Senate Committee on Poverty.

2.34 In view of our sample size, it seemed appropriate to divide it, for purposes of analysis, into five groups, each of approximately the same size. This was done in terms of the distance between a family's income and the poverty line for its family size. The five categories were divided as follows:

a) the very poor - These families were at least $1,000 below the poverty line. They averaged around $1,500 below it.

b) the poor - These families averaged about $500 below the poverty line.

c) borderline - This group of families straddled the poverty line. They averaged about $200-$300 above it.

d) near poor - These families averaged about $1,000 above the poverty line.

e) moderate income - These families were at least $1,500 above the poverty line and averaged around $2,200 above it.

2.35 Although the families were grouped in terms of the difference in dollars between their incomes and the poverty lines, the breakdown we obtained was almost the same as we would have obtained by dividing them in terms of percentage differences between their incomes and the poverty line.* That is, for all practical purposes, we may think of the income adequacy groups equally well this way:

a) the very poor - Families in this category are twenty-five percent or more below the poverty lines.

b) the poor - Families in this category are between five and twenty-five percent below the poverty lines.

c) borderline - Families in this category are between five percent below and fifteen percent above the poverty lines.

d) near poor - Families in this category are between fifteen and thirty-five percent above the poverty lines.

e) moderate income - Families in this category are thirty-five percent or more above the poverty lines.

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*G = .998

2.36 As was mentioned above, the categories were set up so as to place approximately one-fifth of our sample in each. More precisely:

the very poor category contains	-	40 respondents
the poor category contains	-	38 respondents
the borderline category contains	-	31 respondents
the near poor category contains	-	42 respondents
the moderate income category contains		41 respondents
for a total of		192 respondents*

2.37 The reader will be aware that in view of the numbers in each category, he cannot take percentages in tables involving these categories too literally. Whenever a relationship found in a table is commented on in the text, however, its level of significance will be indicated.

2.38 The reader will also note that in succeeding chapters, the numbers in the income adequacy categories are not ordinarily given in the tables. This is because we did not want to continually repeat the same information. For the same reason, when we have recorded the answers in our entire poverty sample (106 cases), we have ordinarily not indicated the number of responses. In cases, however, where more than ten percent of the respondents did not reply to a question, either through choice, or because it was inapplicable, the numbers responding are given. For other breakdowns of the sample, the numbers are also given.

2.39 It should also be mentioned that, unless there is another explanation given with a table, any percentage totals that do not come to one hundred result from rounding.

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*Some ten of our 202 respondents are not included in this classification because of unreliable data on income. Where less precise classification was required, as when we divided the sample into those above and below the poverty line, it was possible to use these cases.

CHAPTER 3

WHO ARE THE POOR?

CHAPTER 3

WHO ARE THE POOR?

3.1 In Chapter 1, we outlined some of the questions that needed to be answered in order to identify the poor in Hamilton. These questions had to do with geographic mobility, place of residence, education, ethnicity, religion, age and sex of the household head, and the economic status of the preceding generation. In this chapter, we will attempt to bring together what we have learned both from our survey and from agency sources to answer these questions. We have organized our findings under six headings:

1. Where do the poor live?
2. Where do they come from?
3. What are their religious affiliations and nationalities of origin?
4. What are their sources of income? (The age and sex of household heads are discussed under this heading.)
5. What are their educational levels?
6. Do they come from families who were in poverty?

Each will be discussed in turn.

1. WHERE DO THE POOR LIVE?

3.2 In our first submission to the Special Senate Committee on Poverty, it was pointed out that the poor in Hamilton tend to be concentrated in the area between the central business district and the harbour. On the basis of our survey, we can define the situation in a more detailed way.

3.3 To analyze the addresses of our respondents, we have divided the city into four zones, as shown on the map in Appendix A, Zone 1 includes the area north of Cannon Street and west of Ottawa. Zone 2 includes the area south of Cannon and west of Ottawa. Zone 3 covers everything east of Ottawa, below the Mountain. Zone 4 covers the Mountain.

3.4 There appear, from our sample, to be very important differences between the proportions of the city's poor to be found in each area, and its share of the city's population. Table 3-1 compares each area's share of the population with its share of our survey respondents who were in poverty.

TABLE 3-1

Percentages of Families in Poverty Sample and Percentages of All Families, Living in Each Study Zone

	Zone 1	Zone 2	Zone 3	Zone 4	Total
Families in Poverty	55	28	11	6	100
All Families*	14	32	23	31	100

*From 1966 Census, Bulletin C-10.

3.5 Unfortunately, these figures appear to have been biased by the nature of our sample. The proportion of the poor found in each zone is closely related to its proportion of families living in dwelling units assessed at $2,500 and below. If we had drawn our sample from among families living in units assessed at $3,500 and below, and if a similar relationship between the number of families in the sampling universe and the number found in poverty prevailed, we would have obtained something like the results in Table 3-1A.

TABLE 3-1A

Estimated Distribution of Families in Poverty, in Dwelling Units Assessed at $3500 or Less, Compared With Distribution of All Families, in Percentages

	Zone 1	Zone 2	Zone 3	Zone 4	Total
Families in Poverty	44	26	15	14	99
All Families	14	32	23	31	100

3.6 It will be seen that a major decline, of eleven percent, takes place in Zone 1. Zone 2 declines slightly. Zone 3 rises a bit more. Zone 4 rises notably, by eight percent. These changes result primarily from the fact that the proportion of dwelling units assessed at $2,500 and below is so high in Zone 1 that it could not contain an equal share of the dwelling units in the range $2,500-$3,500. Zones 3 and 4 take up the difference.

3.7 It should be noted that Table 3-1A probably overstates the difference between the results we have obtained and what we would have obtained with an unbiased sample. The reason is that we would expect a higher representation of the poor near an assessed value of $2,500 than near an assessed value of $3,500. If, to illustrate, we had drawn up Table 3-1A on the basis of an assessed value of $3,000 rather than $3,500, the decline in Zone 1 would have been not eleven percent, but six, and the increase in Zone 4 would have been not eight percent, but five. In spite of this qualification though, it is still clear that Table 3-1A provides a better estimate of the distribution of poor families than Table 3-1.

3.8 If the picture presented in Table 3-1 is attenuated by a correction for the nature of our sample, its main features remain. Zone 1 contains three times as many poor families as one would expect on the basis of its population. The East End of the city and, more particularly, the Mountain, are under-represented among the poor.

3.9 Even if we make further allowance for sampling error*, the picture remains clear. For example, had our sample been unbiased in respect to areas of the city, we could have been ninety-five percent

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*For non-technical readers, we would like to explain the term. The term "sampling error" refers to the possibility that we may get an inaccurate impression of what the group we have drawn our sample from is like because of the size of our sample. That is, if we had interviewed all of the poor families in the city, there would be no possibility that we had gotten a non-representative group. But, as the sample becomes smaller, the possibility of getting a non-representative group increases. The chances of making a mistake because of this can be worked out mathematically. Whenever we want to be careful not to be misled in this way, we can work out the amount by which our sample might be reasonably expected to be in error.

confident* that over forty-seven percent of the poor families in the city lived in Zone 1. If we had assumed that forty-seven percent was the true figure in preparing Table 3-1A, Zone 1 would still have had more than two and a half times as many families in poverty as we would expect on the basis of its population. Statistically, of course, the approach we have taken in preparing Table 3-1A provides the best estimates, but it is useful to know that a correction for sampling error still leaves the same essential pattern.

3.10 The pattern appears more striking if we view it from another angle. In the first volume of our brief to the Special Senate Committee on Poverty, we estimated that between 15,000 and 16,000 families in Metro Hamilton were below our poverty lines. It is difficult to be precise as to the proportion who live within the city, but in the neighbourhood of 11,500 families seems a good estimate.** Using this estimate and the percentages in Table 3-1A, we can calculate the number of families in each area living below the poverty line. Then, if we divide this by the total number of families in each area, we get the proportion of families in each area who are below the poverty line. This is shown in Table 3-2.

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* The term "confidence" is often used to express our degree of certainty that we have not been misled by our sample. Suppose we wanted to know what proportion of poor families in Hamilton live in Zone 1, and that in our sample 55% live in that area. Let us suppose that we want to be sure not to over-estimate the percentage. Then we can calculate the amount of sampling error we are likely to have and express it in terms of how often a mistake of a given size is liable to occur. In this case, it would be only once in twenty times that a random sample the size of ours would over-estimate the true figure by more than 8%. Thus, we can say that we are 95% confident that the true figure has not been over-estimated by more than 8%.

The term "confidence" is generally used with a percentage that indicates how sure we can be that something is true. If the figure is 95%, then nineteen times out of twenty it will be true, assuming that only chance is at work. If the percentage is higher or lower, then we can be more or less confident that whatever is being asserted is true.

**We estimated in the first volume of our brief to the Special Senate Committee on Poverty that the percentage of families in poverty in 1961 was about half again larger in Hamilton than in the rest of the Metropolitan area. If we assume that the same differences prevail today, 11,500 is the figure we obtain for the city.

TABLE 3-2

Percentages of the Families in Each Study Zone Who Are Living Below the Poverty Line

	Zone 1	Zone 2	Zone 3	Zone 4	Total
Percentages in Poverty (est.)	44	11	10	6	14

3.11 As in the case of the earlier tables, we must caution against taking the percentages too literally. We have had to use estimates in order to convert the percentages in Table 3-1A into those in Table 3-2, so that the figures in Table 3-2 should be regarded more cautiously.

3.12 But even when the necessary caution has been observed, the differences among the zones remain startling. In Zone 1, close to half the families are in poverty. In Zone 2 and 3, the figure drops to below the city average. In Zone 4, it falls to less than half the city average.

3.13 What stands out in this analysis is that while large numbers of the poor live in other areas of the city, their concentration in Zone 1 is quite remarkably high. In the first volume of our brief to the Special Senate Committee on Poverty, we pointed out that one of the implications of a concentration of poor people in small areas was that middle and upper income people, who exercise a dominant role in our society, were likely to be unfamiliar with the problems of the poor, and, hence, uninterested in their solution. This implies a need for public education.

3.14 Another important aspect of the segregation of the poor is that it increases the possibility for the development of a sub-culture. If a group is sufficiently isolated, it is certain to do so. The question is whether geographic segregation is sufficient for this and, if not, whether there are other factors at work that in conjunction with geographic segregation will bring a sub-culture into existence. We will return to this question in Chapters 4 and 5.

2. WHERE DO THEY COME FROM?

3.15 In recent years, we have become accustomed to thinking of Canada as a highly mobile society. Canadian urban centres have been growing at a faster rate than those of any other industrialized country. It has become almost commonplace to remark that half the population moves every five years. In the face of these high rates of mobility, the government has begun to initiate programs to assist in relocation of workers. But our government has only recently begun to develop policies on manpower relocation. It seems that now is the time to find out what the effect of existing patterns of migration has been.

3.16 We have looked at this topic from the point of view of where the poor in Hamilton have come from. This has been examined in terms of a) place of birth; b) the size of the communities in which people have lived before coming to Hamilton; and c) the number of other centres they have lived in.

a) Place of Birth

3.17 Table 3-3 shows the place of birth of respondents living below the poverty line, compared to the place of birth of the Hamilton population aged 20 and over.*

*Ideally, this comparison would not include single persons. Unfortunately, place of birth by marital status is not available for Hamilton, so we have had to use the entire population aged 20 and over. Some 90% of the population aged 20 and over in 1961 was married, however, so the approximation should be quite good.

TABLE 3-3

Respondents in Poverty and Hamilton Population, Aged 20 Years and Over, by Place of Birth, in Percentages

	Ontario	Other Provinces	United Kingdom*	Elsewhere	Total
Respondents in Poverty	38	21	19	23	101
Population 20 and over**	47	11	18	24	100

* The Census figure includes people from other Commonwealth countries, but their numbers are very small.
**From 1961 Census.

3.18 It will be noted that the sharpest differences between the poor and the larger population comes under the heading "Other Provinces". It is significant* at the .001 level that people born

*For the non-technical reader, we would like to explain the term. In other contexts, the term "significance" is ordinarily used to mean "importance". In statistics, it is used quite differently. In statistics, the term "significance" is used to refer to differences between two (or more) things that are being measured. If it appears that a difference could easily have arisen by chance, then we say it is not significant. If it is unlikely to have arisen by chance, we say that it is significant.

The term "significant" is usually followed by a phrase to indicate just how unlikely the difference is to have occurred by chance. If, for example, it is said that a difference is significant at the .05 level, it means that it would have arisen only five times out of a hundred by chance. If it is significant at the .01 level, it would have arisen by chance only once in a hundred times, and so on. While there is no logical way of determining how unlikely a difference must be before it should be considered "significant", it is conventional to say that if it would have occurred five times in a hundred by chance, it should not be considered "significant". We have followed this convention.

The reader should note that often the level of significance will not be written out but will be indicated by the symbol $P <$. This symbol simply means that the probability of something occurring by chance is less than whatever figure coming after it may be. That is, if $P < .001$, the probability of its occurring by chance is less than one in a thousand. We could then say that it was significant at the .001 level.

in Canada but outside the Province of Ontario make up a disproportionate share of the poor.*

3.19 Although the table does not show a breakdown of interprovincial migrants by province of birth, a further analysis indicates that they come disporportionately from the Eastern provinces. That is, in 1961 just under two-thirds of the people in Hamilton who were born in Canada but outside of Ontario came from Quebec and the Maritimes. Among our sample of the poor, over nine-tenths of the interprovincial migrants were born east of Ontario.**

3.20 Another point worthy of notice is that, while persons born outside Canada make up just over 40% of our respondents living in poverty (almost exactly their proportion in the total population), they made up a much smaller proportion of those receiving provincial Family Benefits or municipal General Welfare Assistance. In these two categories, they made up only 11%.*** But they make up higher-than-chance proportions of the working poor and of retired couples below the poverty line.

3.21 It is difficult with the number of cases we have interviewed to determine just what the policy implications of these differences are. In the case of internal migrants, however, there appear to be two possible implications. One is the need for more adequate relocation programs to ensure that people develop needed skills before they move. The other stems from the possibility that it will be tempting for people in precarious economic circumstances or on long-term assistance to move to where higher welfare payments are available.**** This would suggest a need for more inter-provincial equality in welfare standards. Because of the numbers in our sample, however, more research would be needed to spell out clearly the effects of this kind of policy change on the poverty situation in our area. We can be sure, though, that such changes would prove beneficial.

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* $P < .01$. It might be suggested that this may have resulted from increased internal migration over the period 1961-69. We do not have any direct evidence to confirm or reject this suggestion. But this explanation does seem unlikely in view of the fact that, within our non-poor group, only 10% were born in other provinces. If the proportion of people born in Canada but outside of Ontario had risen sufficiently to account for the high percentage in poverty, this figure should have risen also.

** $P < .001$

*** $P < .0005$

****That the latter may be involved is suggested by the quite high proportion of single parents receiving provincial Family Benefits born in Quebec and the Maritimes - 7 out of 13 cases. $P < .01$, but the numbers are quite small and should not be taken as a good indicator of the actual proportion of internal migrants among those receiving Family Benefits. Further, studies done in other places have shown that internal migrants are not often drawn by differences in welfare payments.

3.22 In the case of immigrants, the picture is less clear. We have encountered a number of cases in which people were not working in their own field because of language difficulties or lack of Canadian experience. Again, because of the numbers in our sample, we are unable to indicate how strong an impact on poverty could be made by more vigorous policies to deal with this sort of difficulty. Further research would be necessary on this matter.

b) The Size of the Communities

3.23 Our question on the size of the communities in which our respondents lived before coming to Hamilton failed to elicit any significant differences between the poor and the non-poor in our sample. No material on the general population is available, so this is the only comparison we can make. It appears from what we have been able to learn that the size of community in which a respondent has lived before coming to Hamilton has little bearing on whether or not he is in poverty.

c) Number of Communities Previously Lived In

3.24 Again, with no material available on the general population, our comparisons can only be made within our sample. Once again, there appears to be no significant difference between the poor and the non-poor. We must remember, however, as we have pointed out in Chapter 2, that public assistance recipients are very likely to move. It may be then that we have missed a highly mobile group. However, many people receiving public assistance move frequently within the city. Further research would be necessary to determine whether this group is also more likely to move from one community to another.

3. WHAT ARE THEIR RELIGIOUS AFFILIATIONS AND NATIONALITIES OF ORIGIN?

3.25 Since nationality of origin and religious affiliation are so closely related to place of birth, it is not always easy to separate their effects. In spite of this, we have found interesting patterns in our data on nationality of origin and religion which might not have been predicted from our data on place of birth. Table 3-4 compares the nationality of origin of our poverty sample to that of the Hamilton married population.

TABLE 3-4

Poverty Sample and Hamilton Married Population by Nationality of Origin, in Percentages

	British	French	Italian	Other	Total
Poverty Sample	63	12	16	11	100
Hamilton Married Population*	60	4	8	28	100

*From 1961 Census. Includes widowed and divorced.

3.26 It will be seen that in our sample significantly higher numbers of French* and Italians** are present. The ethnic factor also results in a slight over-representation of Catholics among our poverty sample - thirty-eight percent as against thirty percent for the population aged 20 and over ($P < .05$).

3.27 There are difficulties here, however, because our sample may overstate the percentages of the poor made up by the members of these groups. In the case of members of the Catholic faith, it would appear that the possibility of sampling bias should negate their scarcely significant over-representation. This would also seem to be the case with the Italian ethnic group. But, in the case of the French, the difference between their proportion of the population and their representation in our sample is too great to be explained this way.

3.28 It cannot be determined from our data why the French should be over-represented among the poor. But some observations can be made. In the case of the French, more than half are migrants from Quebec and the Maritimes. But people of British origin from Quebec and the Maritimes are also likely to be in poverty. Perhaps then, the French are not over-represented because of such things as language problems or ethnic prejudice, but simply because they are migrants. Unfortunately, this cannot be clearly determined from data at hand.

* $P < .01$
** $P < .025$

4. WHAT ARE THEIR SOURCES OF INCOME?

3.29 In our first submission to the Special Senate Committee on Poverty, we made some estimates on the percentages of the poor who received Old Age Pensions and Family Benefits. In Chapter 2, in discussing sampling bias, we indicated the numbers in our sample who were receiving Old Age Pensions, Family Benefits and General Welfare Assistance. At this point, we would like to review this material and add some further information on income sources.

3.30 The major categories we would like to consider are these:

a) Old Age Pensions

b) Family Benefits

c) General Welfare Assistance

d) Workers' Insurance Schemes

e) Wages and Salaries

3.31 These categories include all of the major sources of income of the poor.* We will deal with each in turn.

a) Old Age Pensions

3.32 As we outlined in Chapter 2, we estimated from census material that about 2,250 of the 11,500 families in poverty in Hamilton were headed by senior citizens - or about 19% of all poor families. Our survey showed that 19% of poor families were headed by someone aged 65 or over. Since the two figures, arrived at quite differently, are identical, it appears that we can be confident that around one-fifth of the poor families in Hamilton are headed by senior citizens. The vast majority of these will receive the Old Age Pension.

b) Family Benefits

3.33 The Family Benefits Act covers a range of things. We have been primarily interested in single parents, however, and all but two of the people we interviewed who were receiving Family

*No other single source was reported by more than 1% of our sample.

Benefits were single parents. As we have indicated in our discussion of sampling bias, 12% of the families in our poverty sample were headed by single parents. But this figure was lowered by difficulties in interviewing. Had these difficulties been overcome, the figure would have risen to about 16%.

3.34 This is close to the figure estimated from administrative sources. The local office of the Department of Social and Family Services estimates that of the approximately 2,500 single parents receiving Family Benefits in their area, about 1,900 live in Hamilton. This yields a figure of 17%. Since the two estimates, arrived at by quite different methods are close, we can be confident that about one-sixth of the poor families in Hamilton are headed by a single parent who is receiving Family Benefits.

c) General Welfare Assistance

3.35 Within our sample, 13% of the poor were receiving General Welfare Assistance. There is a problem in comparing this with Welfare Department statistics because a family receiving welfare at one period of the year may, over the full year, be above the poverty line. However, within our survey only 11% of those above the poverty line had ever received welfare and most of these had received it only once. Most of them were also only a short distance above the poverty line. Below the poverty line, on the other hand, most had received it at least once, and more than one-quarter had received it on more than one occasion. Thus, it seems that the number of cases handled by the Welfare Department should not be too strongly influenced by families above the poverty line.

3.36 During the period of this study, approximately 1,300 families were receiving General Welfare Assistance. This is 11% of our estimated number of poor families. Since this figure is close to what we obtained through the survey, it seems that we can be confident that around one-eighth of the poor, at the time of the survey, were receiving General Welfare Assistance.

3.37 It should be noted, however, that over the course of the year the number who receive assistance will be considerably higher. We cannot estimate the number because we do not know the precise rates of turnover within the Welfare Department caseload. Some indication of the magnitude of the change may be obtained from the fact that the caseload turns over almost completely over a six to eight month period.

d) Workers' Insurance Schemes

3.38 One person in ten among the poor in our sample indicated that the family was supported by Workmen's Compensation or

Unemployment Insurance. We cannot compare this with administrative figures because in either case the respondent may be above the poverty line over the course of the year. On a sampling basis, however, we can be 95% confident that the true figure within our sampling universe was between 4% and 16%. At other times of the year, employment opportunities are ordinarily greater and the figure should be somewhat lower.

e) Wages and Salaries

3.39 The largest single source of income for the poor is wages and salaries. Over 40% of our respondents indicated this was their basic income source at the time of the survey. Since administrative data tends to support our figures for other major sources of income, it would appear that this proportion should also be quite accurate.

3.40 As in the case of the preceding two sources, however, we must caution that people may move in and out of this category. Only slightly over half report that they have never received public assistance and more than one-quarter have received it more than once.

3.41 To summarize, it appears that in terms of income sources, the poor can be broken down as follows:

TABLE 3-5

Income Sources of the Poor

Old Age Pension	-	1/5
Family Benefits (single parents only)	-	1/6
General Welfare Assistance	-	around 1/8
Workers' Insurance Schemes	-	around 1/10
Wages and Salaries	-	3/7

3.42 While these figures should be reasonably accurate at different times of the year, it should be remembered that families may move from one category to another through the course of the year.

Age and Sex of Family Head

3.43 Since we have indicated the proportions of the poor who receive Family Benefits and Old Age Pensions, this appears to be a good point to indicate the differences in age and sex between the heads of families in our poverty sample and the heads of all families in Hamilton. The differences in sex are clear. Only 6% of the families in Hamilton are headed by a single female parent compared to about one-sixth of the families in poverty. That is, a family in poverty is two and a half or three times as likely to be headed by a woman as a family drawn at random from the whole population.*

3.44 Differences in age are also apparent. Table 3-6 shows the ages of the family heads in our poverty sample and the ages of all family heads in Hamilton.

TABLE 3-6

Ages of Family Heads in Poverty Sample and in Population of Hamilton, in Percentages

	Up to 24	25-34	35-44	45-54	55-64	65 & over	Total
Poverty Sample	4	19	27	15	16	19	100
Population of Hamilton*	6	21	26	21	15	12	101

*From the 1966 Census

*Single parents, other than those receiving Family Benefits, may be in poverty but we encountered none in our survey, and, accordingly, we do not believe they are common enough to affect the ratio we have suggested in any significant way.

3.45 It is clear that families where the head is over 65 are more likely to be in poverty.* Families with heads between 45 and 54 show fewer cases in poverty than would be expected. But the difference is only significant at the .10 level. This is consistent with the notion that families become less vulnerable to poverty in the period just after their children have left home, but cannot be considered sufficient evidence to establish it. What can be established from the data is simply that senior citizens are more poverty-prone than others. Their numbers in our sample (as in our estimates from Census material) are half again larger than in the general population.

5. WHAT ARE THEIR LEVELS OF EDUCATION?

3.46 One of the strongest correlates of poverty in previous studies has been low educational attainment. Our study has proved no exception. Table 3-7 compares the educational attainment of our poverty sample with that of the population of Hamilton aged 20 and over.

TABLE 3-7

Formal Education of Family Heads in Poverty Sample, and of Hamilton Population 20 years of age and over, in Percentages

Formal Education	Elementary or Less	Partial Secondary	Complete Secondary	University Training	Total
Poverty Sample	69	23	7	1	100
Population 20 yrs of age & over*	47	32	16	5	100

*From the 1961 Census. Does not include those presently in school. If more recent data were available, educational levels would be higher.

*P < .05

3.47 We must, of course, avoid taking the precise figures for our poverty sample too literally. But the general trend of the data is unmistakeably clear. Less than one-half of the adult population has no more than an elementary education against more than two-thirds of our poverty sample ($P < .001$). While the table does not show it, 43% of the poverty sample have failed to complete elementary school.

3.48 How many of these people have the motivation and capability for upgrading? How many, granted their low educational status, would be acceptable for retraining programs? We cannot answer these questions from data at our disposal, but we can give some indication of their importance.

3.49 If it is true that lack of education is an important cause of poverty, then further education in many cases should provide a cure. But the cure is apparently not being taken. Within our sample, only one family head in twelve was taking any kind of course with the intention of improving his education or qualifying for a better job. It is understandable that senior citizens and single parents do not often take advantage of these opportunities. The former have left or will shortly leave the labour force, and the latter often anticipate it will be some time before they will be in a position to enter it again on a full-time basis. But even among the working poor, and those receiving General Welfare Assistance, the proportion rises to only one in nine.* Furthermore, the proportion is lowest among the poorest families in the sample. Among the 40 families in our lowest poverty category (at least $1,000 below the poverty line, averaging more than $1,500 below) not one family head is taking a course.

3.50 It appears from this that relatively few are taking advantage of the opportunity to upgrade, and that those who have most need to do so are least likely to. We cannot determine from our data why this is so, but it is clear that this warrants further examination.

6. DO THEY COME FROM FAMILIES WHO WERE IN POVERTY?

3.51 It is frequently suggested that many families who are today in poverty are the offspring of families who were also in poverty. We have tried to approach this question in three different ways.

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*The proportion among respondents receiving public welfare is somewhat higher than among the working poor, but the numbers are too small for a proper comparison.

We asked our respondents whether their families had ever received public assistance when they were children. We asked about their fathers' occupations. And we asked about their fathers' education.

3.52 The reader will note that none of these questions is directly focussed on poverty as such. The reason for this lies in difficulties of measurement. The meaning of poverty changes with time, and our respondents vary in age by more than 60 years. In order to determine whether their families were in poverty, we would have to develop different sets of standards for different periods from 1900 to the present - a highly complicated task. Furthermore, our respondents grew up in many different places. The same standards could scarcely be used for people who had grown up, say, in Hamilton, and in a Sicilian farming village. Then, too, we would have to assume that people's memories of their relative standards of living in childhood would be accurate. Over the time span involved, this seemed a questionable assumption. In the face of these difficulties, it seemed most reasonable to settle for information that could be obtained relatively easily and that would be relatively reliable.

3.53 Unfortunately, there were difficulties even with the questions we chose to ask. The most obvious had to do with comparative standards. For example, since our respondents grew up at different times and places, it has been impossible to say what the occupational distribution of the general population was during their childhoods, and to compare their fathers' occupations with it. The only kinds of comparison we could readily make were within the sample between the poor and those who are above the poverty line. Let us see what this can tell us.

Fathers' Occupations

3.54 Table 3-8 indicates a clear difference in fathers' occupations between the poor and the non-poor. The fathers of those above the poverty line were more likely to be in white collar occupations* and less likely to be in blue collar occupations.** There was no significant difference in the numbers employed in agriculture. These results are consistent with the common finding that people in low status occupations come disproportionately from families whose heads were also in low status occupations.

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* $P < .05$
** $P < .01$

TABLE 3-8

Occupation of Father of Respondent for Poverty and Non-poverty Samples, in Percentages

	White Collar*	Blue Collar**	Agriculture	Other	Total
Poverty Sample	7	64	27	2	100 (N=96)
Non-Poverty Sample	18	48	32	2	100 (N=88)

* Includes occupations classified by the Census as: Managerial, Entrepreneurial, Professional, Technical, Clerical, Sales, Service, and Recreation.
**Includes occupations classified by the Census as: Transportation, Communication, Craftsmen, Production Process and Related Workers, and Labourers.

Receipt of Welfare

3.55 There was no significant difference between the poor and the non-poor in terms of their families' receiving welfare when they were children. In each group, about one-sixth reported that this had occurred.* One might expect that if a sample of middle and upper income families were available, the proportion would be lower. But between our two groups no difference is present.

3.56 There are, however, a number of differences among different categories of the poor. Although the numbers are not large, it is interesting to note that none of the old age pensioners we interviewed reported that his family had received public assistance when he was a child.** One might speculate that this reflects the relatively low unemployment rates of the early parts of the century (low at least compared to the 1930's, when the largest part of our sample grew up), the relative difficulty in obtaining assistance at the time, or perhaps a greater emphasis on self-reliance earlier in the century.

* The figure is this high primarily because of the large number of respondents who were living with their parents during the 1930's.
**$P < .05$

3.57 It is also interesting to note that of those currently receiving General Welfare Assistance, 6 out of 14 reported that their parents had also done so. The numbers are much too small to give a reliable indication of the number of welfare recipients whose parents had received welfare, but the difference between them and the rest of the poor is significant at the .01 level. This is consistent with the notion that use of welfare tends to run in families, but the numbers are too small to provide real support for it.

Fathers' Education

3.58 Table 3-9 indicates a clear difference between the poverty sample and the non-poverty sample in terms of the fathers' education. Almost three-quarters of the fathers of the poverty sample received less than a complete elementary education, as against just over half of the fathers in the non-poverty sample.*

TABLE 3-9

Education of Father of Respondent for Poverty and Non-Poverty Samples, in Percentages

	No Formal Education	Partial Elementary	Complete Elementary	Partial Secondary	Complete Secondary Or More	Total
Poverty Sample	30	43	19	6	2	100
Non-Poverty Sample	19	35	24	9	12	99

3.59 These results are consistent with the common finding that people in poverty come disproportionately from families with limited education. In conjunction with the differences in occupation we

*$P < .001$

have seen earlier, they suggest that a good number of the poor are poor because they began from a relatively weak base.

3.60 From the point of view of policy, perhaps the most important question arising from this is whether their children will suffer the same handicap. We will return to this question in Chapter 5.

SUMMARY

As a good deal of ground has been covered in this chapter, we would like to conclude with a summary of the principal findings.

1. Areas of the City

   a) Close to half of the poor families in Hamilton live in the area bounded by Ottawa Street on the east and Cannon Street on the south.

   b) Close to half of the families within this area are below the poverty line.

2. Place of Birth

   a) People born in Canada but outside of Ontario were over-represented among the poor families in our sample. Ninety percent of these internal migrants were born east of Ontario.

   b) Immigrants were found among our poverty sample in almost exactly the proportion found in the general population. But they made up a much smaller proportion of those receiving public assistance, and a higher proportion of the working poor.

3. Nationality of Origin

   a) People of French origin were over-represented among the families in poverty in our sample. They were usually internal migrants.

4. Source of Income

   a) About one-fifth of the poor families in Hamilton are headed by an old age pensioner.

b) About one-sixth are single parents receiving Family Benefits.

c) About one-eighth receive General Welfare Assistance.

d) About one-tenth receive payments from Workmen's Compensation or Unemployment Insurance.

e) The largest category, about three-sevenths, rely on wages and salaries as their major sources of income.

5. Age and Sex of the Family Head

a) Families headed by persons over sixty-five years of age are half again more likely to be in poverty than those with younger heads.

b) Families with female heads are two and a half to three times more likely to be in poverty than those with male heads.

6. Education

a) Over two-thirds of the family heads in our sample had Grade eight education or less, compared with less than one-half of the population aged 20 and over.

7. Family Background

a) Respondents below the poverty line came disproportionately from families where the father held a blue collar occupation.

b) Respondents below the poverty line came disproportionately from families where the father had less than a complete elementary education.

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CHAPTER 4

WHAT ARE THEIR LEVELS OF LIVING?

CHAPTER 4

WHAT ARE THEIR LEVELS OF LIVING?

4.1 In this chapter, we would like to present the findings of our survey on the material welfare of the poor. We will begin by presenting data on the incomes of the poor, then discuss some of their spending patterns, and, finally, examine the quality of their accommodations.

INCOME AND FAMILY SIZE

4.2 In Chapter 2, we have reviewed our definition of poverty in terms of income and family size. It is only a limited description of the economic situation of the poor to say that they are below these poverty lines. It is also important to ask "How far?". Table 4-1 shows the distribution of poor families in our survey by their distance below the poverty line, together with the distribution derived from our estimated table of family incomes by family size for 1969. It will be seen that the two distributions are quite similar. While the sample distribution is somewhat closer to the poverty lines, the difference is not significant.*

TABLE 4-1

Poor Families by Distance Below the Poverty Line, in Percentages

Distance Below Poverty Lines	0-$499	$500-999	$1000-1499	$1500-1999	$2000 or More	Total
Sample	24.1	21.8	16.1	11.5	26.4	99.9
Estimated Distribution	20.6	18.0	14.6	11.9	34.9	100.0

*The Kolmogorov-Smirvov test yields $P > .20$

4.3 It will be seen that a sizeable group, about one-fifth or one-quarter, are within $500 of the poverty line. While the table does not show it, a good number of the families in this range are headed by senior citizens. The guaranteed income supplement will place a retired couple less than $600 from our poverty line for a two-person family, so that, if they have any small additional source of income, they will fall into this category. Most of the others in this bracket are families whose major sources of income are wages and salaries.

4.4 Another group of about one-fifth lie between $500 and $1000 below the poverty line. This is a more mixed group. The remainder of the old age pensioners are here. There are a number of families receiving welfare or Family Benefits. Some are on Workmen's Compensation. The largest group consists of those receiving wages and salaries.

4.5 The remainder, around fifty-five or sixty percent, lie $1,000 or more below the poverty lines. This group is more clearly defined. About two-thirds of those receiving Family Benefits or General Welfare Assistance are here*, along with the majority of those receiving Unemployment Insurance. The only retired couples here had not yet begun to receive the Old Age Pension and had had difficulties with employment pensions. In spite of the high concentration of public assistance recipients in this group, the largest number of families are still headed by wage and salary earners. The latter make up almost half the people in this category.

4.6 The presence of large numbers of wage and salary earners at all levels of poverty, including the lowest, raises forcefully the question of how to bring the working poor to a more adequate level of living. The Council suggested in its first brief to the Special Senate Committee on Poverty that improved benefits were needed for those receiving public assistance. This is clearly so, as data which we will present later in this chapter will attest. But what must not

*This high figure is supported by an examination of the rate structure for public assistance at the time of the survey. Families with more than two persons, if dependent entirely on public assistance, would always be at least $1000.00 below the poverty lines. Since the time of the survey, public assistance benefits have been raised by around 12%. Family Benefits recipients may earn increased amounts without reductions in their allowances, and General Welfare Assistance recipients may, for the first time, receive payments for part-time work without their allowances being reduced an equal amount. These changes will reduce the proportion of families on public assistance who are $1000 or more below the poverty line.

be lost sight of is that there are greater numbers of families headed by wage and salary earners at all levels of poverty (including the lowest) than there are recipients of public assistance.

4.7 The adequacy of incomes can be approached either in terms of income and family size taken together, as we have just done, or in terms of the two considered separately. Since there are interesting policy questions that can be dealt with only by considering them separately, we would like to do this as well.

4.8 Essentially, the policy questions are these - "How far can we eliminate poverty by simply increasing the incomes of those who earn the least?" and "To what extent must we also provide special assistance to families with a good many children?" These will require us to examine income and family size as separate factors.

4.9 Let us deal with income first. Table 4-2 shows the annual incomes of the poor families in our sample.

TABLE 4-2

Families in Poverty, by Income, in Percentages

Income	Under $3,000	$3,000-4,999	$5,000-5,999	$6,000 & over	Total
Percentages of Families	33	42	17	8	100

4.10 It will be seen that there is a large group, about two-fifths, in the range $3,000-$5,000, and another large group, about one-third, who are below $3,000. But, a full quarter of the poor in our sample have incomes of over $5,000*, and 8% over $6,000.

*In terms of sampling error, we can be 95% confident that at least 18% of the poor in the city have incomes above $5,000. This is consistant with our table of estimated family incomes by family size.

This would seem to indicate the limits of an attack on poverty based on occupational upgrading, increases in minimum wages, and the like. It appears unlikely that, in the near future, we will be able to provide programs that will raise every family to the $5,000 level, let alone beyond it. Yet, even if we were able to do this, a major portion of the poor would not have been assisted.

4.11 This can best be interpreted in terms of family size. Any family with five or more members will require an income of $5,600 or more to escape from poverty.

4.12 Another way to view this is to see what proportion of the poor families at the different levels of poverty are composed of more than six persons. Fully two-fifths of the families in our "very poor" category (at least $1,000 below the poverty lines) were families with six or more members. This contrasts with 20% of all of the poor families in our sample*, and with 10% of all families in Hamilton.** This adds force to the argument that we need to do more than attempt to increase the earning power of those who now earn the least. These families, who are in the deepest of poverty, are the least likely to be brought out of it by this approach.

HOW DO THE POOR VIEW THEIR INCOME?

4.13 It is one thing to say, from a middle-class viewpoint, that a given level of income is adequate or inadequate. It is another thing to live on it. In setting our poverty lines, we attempted to get at the perspective of poor people by looking at what had been conveyed to welfare officials. Thus, we hoped to prevent the judgements of those who did not have to live on a below average income, or were not in close contact with those who had to, from being the factor determining whether incomes were adequate.

4.14 In our survey, we have taken this a step further by asking our respondents whether they thought their incomes were adequate for their needs, and what they would do if additional income were available. Table 4-3 shows the percentage of families who felt they required more income to meet their needs. The families are divided into the five income adequacy categories which were outlined in Chapter 2.

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* $P < .001$

**$P < .0001$. The 10% figure is based on the 1961 Census.

TABLE 4-3

Families Expressing Need for More Income, by Income Adequacy Categories

Adequacy Category	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Percentage Expressing Need	85	61	59	38	38

4.15 It will be seen that there is a strong relationship ($P < .00001$) between our income adequacy categories and the percentage of families who feel they require more income. It is only when we move into the two categories where all of the families are above the poverty lines that the percentage expressing a need for more income falls below one-half. This would seem to be a confirmation of the general level of our poverty lines.

4.16 But it might also be asked what these differences represent. If people say their needs are not being met, and what they mean is that they cannot afford adequate food and clothing, this is something different from their saying they cannot build up an adequate level of savings, or something different again from their saying they cannot afford to travel on their vacations. That is, it is important to know where people's priorities lie in order to assess their statements of need. To try to get an idea of this, we asked our respondents what they would do if they had an extra $100 a month. Table 4-4 shows their responses.

4.17 It will be seen, first of all, that more responses were received from the poor. It will also be seen that there are quite noticeable differences in the things different categories would like to do with additional income.

TABLE 4-4

Priority Uses of Additional Income, by Income Adequacy Categories, in Percentages

	Very Poor	Poor	Borderline	Near Poor and Moderate Income*
Accommodation**	45	30	37	34
Clothing	45	22	10	9
Food	25	8	3	7
General	21	24	9	5
Saving	7	38	40	41
All others	20	33	42	34
Total***	163	155	141	130

* These two categories have been combined because there are only minor differences between them.

** The figures in this category might have been somewhat lower if our sample had included dwellings assessed at over $2,500, but the persistently high responses in the upper income adequacy categories, where obvious defects were relatively few, suggests that the reduction would not be a major one.

***Totals add to more than 100 because of multiple responses.

4.18 The "very poor" category stands out most clearly from the others. It displays the highest percentage who say they would like to spend additional income on better accommodation , far the highest percentage who would use it for clothing, far the highest percentage who say they would use it for food, and far the lowest percentage who would use it for savings. This pattern clearly supports the notion that at this level families are preoccupied with the basic needs of food, shelter and clothing.

4.19 The "poor" category, while not so clearly distinguished, differs notably from the next category, the borderline group, in the number who would like to spend more on clothing, and in the number who say they would use additional funds for general family expenses. On the other hand, respondents in this category differ from the very poor in terms of lesser concentration on accommodation, clothing, and food, and more concentration on savings. This would seem to indicate that the extreme pressure of basic needs that is present

for those in the very poor category has eased, but that there is still difficulty in keeping ahead of immediate needs.

4.20 The borderline category and the two categories outside of poverty are not easily distinguished. It would appear that in these categories, it is ordinarily possible to meet the family's basic needs satisfactorily. A possible exception lies in the accommodation category, which continues to draw frequent responses up to the highest level of income adequacy. But since the numbers who say this is where additional money would go shows only random fluctuations in the upper categories, it seems reasonable to guess that this is not ordinarily a question of gross inadequacy. It is simply that our respondents generally would like to live in nicer places. This will be discussed later in terms of the quality of housing enjoyed by the different income adequacy categories.

4.21 Thus, our conclusion would be that the data are consistent with our original poverty lines. In the categories below them, families have difficulties in meeting their needs for food, clothing, and shelter. It is only when we reach the borderline category, in which two-thirds of the respondents are above the poverty line, and those below are within $300 of them, that these cease to be problems.

SHOPPING PRACTICES

4.22 If there are difficulties in providing for basic needs below the poverty lines, the natural question that arises is, "How do people manage?" While we did not examine shopping practices in any great detail, we did ask our respondents where they shopped for food and clothing, how much they spent on them, and how much they had committed to debt payments.

4.23 Although it is often suggested that the poor differ significantly from others in their shopping practices, it appears from our data that the distinction is not simply that between the poor and the non-poor. In replies to our questions on where most of the family's food was purchased, there was no significant difference between the poor and the non-poor, nor were there significant differences among sub-groups of the poor. What did appear was a distinction between those who lived in Zone 1 and those who lived elsewhere. Table 4-5 shows the differences.

TABLE 4-5

Major Source of Food Purchases, by Zones of the City, in Percentages

	Super-Market	Corner Store	Other	Total
Zone 1	80	11	9	100 (N = 116)
Zone 2	94	6	0	100 (N = 53)
Zones 3 & 4	97	0	3	100 (N = 32)

4.24 It is clear that people in Zone 1 are less likely to rely on supermarkets.* One reason is that for many people in the area, particularly towards the west, supermarkets are some distance from home. But this does not appear to be a difference between the poor and others. Our poverty sample and our non-poverty sample within Zone 1 shop in the same kinds of places. It appears to be essentially a matter of geography.

4.25 This is not to say that, on balance, there is no difference between the poor and the rest of the population. Since the poor are concentrated in Zone 1, and others are not, we would expect a corresponding difference in shopping practices among income groups. But we have sampled only a small part of the income range above our poverty lines, and, thus, we cannot base a statement to this effect on our data. In any case, the absence of a difference within Zone 1 does tend to suggest that such differences as there are, are based on geography rather than value preference.**

4.26 When we turn to clothing, the situation changes. Here the distinction is not in terms of area, but in terms of income adequacy. Table 4-6 shows sharp differences between the very poor and others.

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* $P < .001$

**Of course, at income levels above those in our sample, a value element might come into play.

TABLE 4-6

Major Source of Clothing, by Income Adequacy, in Percentages

	Very Poor	Poor, and Borderline*	Near Poor, and Moderate Income*
Department stores	21	54	57
"Cut-rate" stores	41	16	12
Religious bodies' clothing shops	10	0	0
Shopping around	21	24	20
Other	7	6	11
Total	100	100	100

*These categories have been placed together because they show almost identical clothing purchase habits.

4.27 There are other small differences in the table, but what stands out is the quite dramatic gap between the very poor and others. They are much less likely to shop for clothing in a department store* and much more likely to shop in religious bodies' clothing shops** or in "cut-rate" stores.*** (In the latter category, we included shops that sell used clothing at sharply reduced rates and one or two high volume stores specializing in low priced merchandise.)

4.28 It is clear that the places where clothing can be obtained at below normal rates are patronized much more heavily by the very poor than by anyone else.**** Does this mean that the very poor use inexpensive clothing as a central tactic in managing their budgets?

* $P < .0001$
** $P < .001$
*** $P < .0001$
****This does not, of course, mean that any one place will necessarily draw most of its business from the very poor.

We can only determine this if we see how their expenses on all of the major budget items compare with those of other groups.

EXPENDITURE PATTERNS

4.29 Table 4-7 shows the monthly food costs of our income adequacy categories, in relation to family size and monthly income.

TABLE 4-7

Mean Monthly Food Costs, Mean Family Size, and Mean Food Costs as a Proportion of Mean Family Income, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Food Costs	$122	$106	$130	$128	$130
Family Size	5.3	3.9	4.2	4.3	3.3
Food Costs/ Person	$ 23	$ 27	$ 31	$ 30	$ 39
Food Costs/ Monthly Income	.39	.33	.31	.25	.23

4.30 It will be seen that the mean food costs per family in the upper three categories are virtually the same, and that the costs in the bottom category do not differ greatly. Only the second category differs greatly from the others. To determine how carefully the poor control their food expenses, we must consider them in terms of family size. When this is examined, the pattern becomes clearer. Food costs per capita rise by more than 50%, from $23 to $39, as income adequacy increases. To put it another way, the moderate income category, while spending about the same amount as the two categories below it, has, on the average, one less person to feed. The very poor category spends only slightly less, but, on the average, has two more family members than the moderate income category, and one more than the borderline and near-poor categories.

The category "poor" shows a smaller expenditure than others because it combines relatively small families with low spending power.

4.31 What this means, clearly, is that the poor make up a sizeable part of their income shortage by cutting back on food costs. We may wonder whether this does not result in nutritional problems. But even the reductions they make do not place them on even ground with others. Table 4-7 indicates that the proportion of income spent on food in the lowest income adequacy category is 39%. It declines constantly across the table to 23% in the moderate income group. Clearly then, major savings must also be managed in other areas. Let us see what savings are achieved in clothing costs.

4.32 Table 4-8 shows the mean expenditure for clothing over the months September to November for each of the income adequacy categories.

TABLE 4-8

Mean Expenditure for Clothing, September-November, Mean Family Size, and Clothing Costs as a Proportion of Monthly Income, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Clothing Expenditure	$102	$ 91	$111	$113	$118
Family Size	5.3	3.9	4.2	4.3	3.3
Clothing/Person	$ 19	$ 23	$ 26	$ 26	$ 36
Clothing Costs/ Monthly Income	.33	.29	.27	.22	.21

4.33 Their expenditures vary over a relatively short range. But, as in the case of food costs, the differences appear more important when we consider family size. As we move across the table, the clothing expense per person almost doubles, increasing from $19.00 per person among the very poor to $36.00 per person in the moderate income group. Put another way, it appears that the upper three categories spend around the same amount, but the moderate

income group has one less person to clothe. The very poor group spends less than these three, with two more family members than the moderate income group, and one more than the borderline and near poor groups. The poor category spends less than any of the others, because it combines relatively small average family size with relatively low spending power.

4.34 Thus, it appears quite clear that the poor do cut back on their clothing costs. But they are still left at a relative disadvantage. Table 4-8 shows that the proportion of a single month's income spent on clothing over the three month period declines regularly from 33% among the very poor to 21% in the moderate income group. We must look further to find the areas in which the poor are able to reduce their costs so as to balance their budgets.

4.35 We gathered data on expenses for housing, recreation, and debt repayment, and also on levels of saving. While we will be returning to housing and recreation in later sections of the report, we would like to look at their expenses here, to round out our picture of living costs. Let us begin with housing.

4.36 Table 4-9 shows rent or mortgage payments for the families in our sample by income adequacy. It must be noted that families who own their own homes outright are not included here. These make up about one-third of the sample, but they are more common in the upper income adequacy categories.

TABLE 4-9

Mean Rents and Mortgage Payments, in Dollars Per Month, and as Proportions of Monthly Income, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Rents	$89	$94	$86	$99	$86
Rents/Monthly Income	.28	.30	.21	.19	.15
Mortgage Payments	$98	$98	---*	$93	$81
Mortgage Payments/ Monthly Income	.31	.31	---*	.18	.14

*Since there were only four cases in this category, we have not shown mean values.

4.37 The reader should be cautioned against taking the dollar values shown too literally. In some cases, they are averages of no more than ten families. Further, he should be reminded that had our sample included dwellings assessed at over $2,500, the averages would, presumably, have risen.

4.38 Looking first at the actual levels of rent or mortgage payments, there seems to be little pattern. But, if we look at these expenses as a portion of income, we see that the poor put out a much higher proportion than the non-poor. It will appear in data to be presented later that this does not necessarily result in their obtaining housing of better, or even of equal, quality.

4.39 Since it has appeared that the poor spend greater portions of their income on each of food, clothing and shelter than the non-poor, it will be of interest to see how the total portion of income spent on these three necessities varies with income adequacy.

4.40 It should be mentioned that we have data on clothing costs only for September through November. In order to get an estimate for the full year, we have assumed that expenses remain constant over the year. Since clothing is by far the smallest of the three expenditure items, any distortion resulting from this should not be great.

4.41 Another point that should be mentioned is that under housing costs we have included not only rental on mortgage payments but also utilities and heat.* This is because in our original calculation of the poverty lines for Hamilton these were included, and we wanted to place the two calculations on a comparable basis.

4.42 For other reasons, we have not made an allowance for upkeep. Since the proportion who own or who are renting their homes increases with income adequacy, this will mean that the proportion of income spent on housing will tend to be understated in the upper categories. But any inaccuracies caused by this will not have an important influence on the total impression to be gathered from Table 4-10.**

4.43 Table 4-10 shows the results of our calculations.

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* In cases where a family owned its own home, taxes were also included.

**If we were to assume, for example, that each family that owns or is purchasing its own home spends $500 on upkeep per year, this would raise the average proportion of income spent on housing by no more than 5% in any category. The changes in individual categories would not affect the relative standings of the categories.

TABLE 4-10

Proportions of Annual Income Spent on Food, Clothing, and Shelter, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor, and Moderate Income*
Food	.39	.33	.31	.24
Clothing	.11	.10	.09	.07
Shelter	.31	.31	.22	.19
Total	.81	.74	.62	.50

*These categories are placed together because there are only minor differences between them.

4.44 It will be seen that the percentage of income spent on the three essentials declines progressively as we move across the table. Even making allowance for the distortions introduced by not allowing for upkeep costs, it is clear that the total pressure on the finances of the lower groups is much greater than that on the upper groups. Among the very poor, over eighty percent of income, on the average, must go for these three necessities. In the category "poor", it is almost three-quarters. It is interesting to note that it is only when we reach the borderline category, where two-thirds of the respondents were above the poverty lines, and those below were within $300 of it, that the proportion drops below seventy percent. In the borderline category a correction for income tax would raise the figure from .62 to about .67. Moreover, about one-third of the families in the borderline category own or are purchasing their homes, and, hence, will have higher housing expenses than were allowed for. Further, housing costs for families living in dwelling units assessed at over $2,500 are presumably somewhat higher than those of the families in our sample. Corrections for these factors should bring the figure quite close to .70, if not above it.

4.45 Since a criterion in setting our original poverty lines was that families who had to spend seventy percent of their income, after income tax, for food, clothing, and shelter should be considered to be in poverty, this would seem to be a confirmation of the general level of our poverty lines.

4.46 The obvious question these expense patterns lead to is what families in the lower income adequacy categories are forced to cut back on, because so much of their income is taken up by essentials. Here we should examine our data on recreation, debt payments, and savings.

Recreation Expenses

4.47 Table 4-11 shows monthly expenses for recreation by income adequacy. If it is not comprehensive, the list of things included at least covers all the major expenses likely to arise. It includes: movies, plays, concerts, hobby supplies, reading material, toys, club dues, sports expenses, eating out, and transportation to and from places where recreation is enjoyed.

TABLE 4-11

Mean Monthly Recreation Expenses in Dollars, in Dollars per Person, and as a Proportion of Monthly Income, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Recreation Expenses	$12	$24	$26	$28	$36
Family Size	5.3	3.9	4.2	4.3	3.3
Recreation/ Person	$ 2	$ 6	$ 6	$ 7	$11
Recreation/ Monthly Income	.04	.08	.06	.05	.06

4.48 It will be seen that absolute expenses rise with income adequacy, as do expenses per person. But the same does not apply to recreation as a percentage of monthly income. The pattern for the latter is quite irregular. What this seems to mean is that the poor reduce their recreation costs to a minimum without gaining a relative financial advantage. The very poor, for example, spend an average of $12.00 a month on the recreational items we have included

- just over $2.00 per person. In absolute terms, the moderate income group spends three times as much, in per capita terms four and a half times as much. But it only spends an additional two percent of its monthly income on recreation.

4.49 To put it another way, it appears that recreation is one area in which the poor are able to cut back far enough not to spend a higher proportion of their income than others do. The poor at least manage to remain on equal ground. Another area in which this is possible is debt payments.

Debt Payments

4.50 Table 4-12 shows mean monthly debt payments by income adequacy.

TABLE 4-12

Mean Monthly Debt Payments, in Dollars, and as a Proportion of Monthly Income, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Debt Payments	$21	$18	$43	$45	$39
Debt Payments/ Monthly Income	.07	.06	.11	.09	.07

4.51 It will be seen again that the absolute costs of families in the lower categories are lower than those in families in the higher. (The relationship, however, is not a simple linear one.) But there is no regular pattern of change in debt payment as a proportion of monthly income. This seems to suggest that the poor are able to reduce their time purchases not just to a level below that of the non-poor but also to a point where these take up a no greater, or perhaps a lesser, proportion of income. Although the table does not show it, our data indicate that one way in which this is achieved is to avoid buying a car, or to buy only a very old model.

4.52 Another point that does not appear in the table, is that among the poor debt payments vary with source of income as well as income adequacy. The working poor have much higher average payments than those receiving public assistance or old age pensions. This, presumably, reflects easier access to credit.

Savings

4.53 We have seen that although the poor spend less for recreation and have lower debt payments than those outside of poverty, they do not so much improve their relative financial position in this way, as avoid making it worse. Other things will have to give. One of these appears to be savings. Table 4-13 shows the percentage of families, where the head was working full-time* who could get by on their savings for a month if for some reason they were to go without income.

TABLE 4-13

Percentages of Families Who Could Meet Their Regular Expenses for a Month if They Had to Rely on Savings, for Families with the Head Working Full-time, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Percentage who could meet expenses	12	42	42	63	77

4.54 It is very clear from Table 4-13 that the extent of savings varies directly with income adequacy.** It is interesting to note that it is only when we reach the categories in which all

* The question was not asked of respondents receiving public assistance. If they had any substantial savings, they would not be receiving it. Nor was the question asked of old age pensioners.

**$P < .001$

of the families are above the poverty line that over half would be able to get by for a month on their savings. This emphasizes the precarious financial situation of the family below the poverty line. The pressure of immediate living costs is so great that savings can be built up only with great difficulty, and any unexpected expense is liable to mean painful adjustments.

4.55 It should also be pointed out that the financial position of the poor is made more precarious by another cause. The lower the family's income adequacy, the more likely it is that it will experience unemployment. Table 4-14 shows frequency of unemployment in the last five years for family heads who have been in Hamilton over the period.*

TABLE 4-14

Frequency of Unemployment in the Last Five Years, for Family Heads Who Have Been in Hamilton Five Years or More, by Income Adequacy, in Percentages

No. of Occasions of Unemployment	Very Poor	Poor	Border-line	Near Poor	Moderate Income
None	41	45	53	62	80
One	23	23	21	12	6
Two or more	36	32	26	26	14
Total	100	100	100	100	100
N	22	22	19	34	35

*We did not want to consider a shorter period because this would not allow us to examine the frequency of unemployment. But, in using a period of this length, it was necessary to exclude families who arrived inside of it. The reason for this is that levels of unemployment in other areas differ from those in Hamilton. If people who had experienced much unemployment in other places and had moved here because of it were included, we would over-state the unemployment rates of poor people living in Hamilton.

4.56 It is clear that as income adequacy increases, the likelihood of being unemployed decreased markedly. Further, the likelihood of being unemployed more than once decreases as well.* As we move from the very poor category to the moderate income category, the percentage who were never unemployed during the five year period preceding the interview virtually doubles, increasing from forty-one percent to eighty percent. The proportion who have been unemployed two or more times is reduced by almost two-thirds, dropping from thirty-six percent to fourteen percent. Thus, we can see that the standards of living of the poor are much more vulnerable to unemployment than are those of the more well-to-do.

HOUSING AND LIVING CONVENIENCES

4.57 We have documented at some lengths the difficulties for families in poverty to find enough income to meet their spending requirements. Now we would like to explore the question of the quality of living that their expenses permit. We will look at it in terms of housing quality and living conveniences. In the case of housing, however, we must remember that our sample is biased. There are quite probably fewer housing defects in units assessed at above $2,500 than there are below, but there is no reason to believe that the differences we have found among our income adequacy groups would not also be present, although possibly they would have appeared in a moderated form, if the sample had been more comprehensive.

4.58 As we mentioned in Chapter 1, the most frequently used measure of housing quality in Canada is the number of persons per room. A commonly used rule of thumb is that where there are more persons than rooms, there is some degree of overcrowding. This, of course, is a relatively crude measure of overcrowding, since this involves the size, layout, and facilities of the home as well as the number of rooms. But as a general guide, it can be quite useful. Table 4-15 shows the mean number of rooms, mean family size, and mean number of persons per room for the income adequacy categories.

4.59 It is interesting to note that only at the two ends of the table do there appear to be any real differences. In the very poor group, there are, on the average, as many persons as rooms (slightly more, if we take it to more than one decimal point.). In the middle of the table, to nearest decimal point, all three groups average .8 persons per room. In the moderate income category, the ratio dips to .6.

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*$r_s = .27$, $P < .001$

TABLE 4-15

Mean Number of Rooms, Mean Family Size, and Number of Persons per Room, by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Mean Number of Rooms*	5.1	4.9	5.6	5.3	5.3
Mean Family Size	5.3	3.9	4.2	4.3	3.3
Persons/Room	1.0	.8	.8	.8	.6

*Not including the bathroom

4.60 Although there is little variation among the middle groups, the pattern of persons per room seems, at first glance, to indicate just that the poor have less space than others. This would seem to be a simple reflection of purchasing power. But on further examination it becomes more complex. The mean number of rooms bears only a vague relationship to the amount of rent or mortgage being paid. (The reader may wish to refer back to Table 4-9.)

4.61 There is, however, another explanation available. The reader will notice that the average family sizes in the outside categories differ noticeably from the average sizes in the middle categories. The very poor group averages a full person larger than any of the others, and the moderate income group averages more than half a person smaller than any of the others. This seems to suggest that the basic factor in determining the number of persons per room is the sheer availability of housing for larger families. Housing tends to be built for the "average family". Thus, the smaller family will find it relatively easy to obtain accommodation with a good number of rooms per person, but larger families will find it more difficult.* If a family has the money, it can have a place built to

*Within our sample, there is no significant correlation between the number of members in a family and the number of rooms in its house. This lends some support to the position taken here.

its specifications or can obtain one of the relatively few larger units available on the open market. If not, it will have to accept what is available. Within the income range covered by our study, there is no choice but to try to get by with what can be found in the market. Thus, it would seem reasonable to believe that the important determinant of crowding at this level is not so much income inadequacy as simply family size.*

4.62 If spending capacity is not the key factor in determining the ratio of persons to rooms, what does it have to do with other indexes of housing quality? We gathered information on the presence of four easily-observable faults:

a) sagging of floors or walls;

b) holes, cracks, loose or missing material on floors, walls or ceilings;

c) deep wear;

d) broken, loose or missing stair steps or railings.

4.63 Table 4-16 shows the frequency of each of these defects for our income adequacy categories.

*In 1965, the Council was requested by several community agencies to carry out a study on the availability of housing for larger families. In the case of the Children's Aid Societies, interest stemmed from the experience of having to take children into care because there was simply no place available large enough for the whole family to live together. Unfortunately, funding was not available to carry out the study. But the data we have presented here seems to corroborate the need for further examination of the topic.

TABLE 4-16

Observed Housing Defects, by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor & Moderate Income*
Sagging	21	17	19	6
Holes, Cracks, Loose or Missing Material	12	11	7	5
Deep Wear	51	29	30	21
Broken, Loose, Missing Stair steps, Railings	21	11	7	6

*These categories are shown together because there are only minor differences between them.

4.64 It is very clear from Table 4-16 that income adequacy is strongly related to the presence of the defects we have checked for. In every case, there is a trend from the highest incidence in the very poor category to the lowest incidence in the near poor and moderate income categories. Further, three of these trends are significant statistically. Only in the case of holes and cracks is the trend not significant.* There can be no question in the light of this that the poor are at a disadvantage in housing quality, even though there is no apparent relationship between poverty and the number of rooms or the rent or mortgage payments. This seems, at first glance, to be puzzling. If rent and mortgage payments are about the same for different income adequacy categories, and if these payments are made on units containing the same number of rooms,

*For sagging, $r_s = .17$, $P < .025$; for deep wear, $r_s = .22$, $P < .005$; for defects in the stairs, $r_s = .15$, $P < .025$. In the case of holes and cracks, $r_s = .10$ and the trend is not significant at the .05 level.

why should there be differences in quality? Had the poor been obtaining larger accommodations for the same kind of payments, one might have suspected a decline in quality. But there is no significant relationship between income adequacy and the number of rooms in the dwelling.

4.65 In the light of our data, we can put forward three explanations, each of which will complement the others. The first is that differences in quality are related to ownership. The second is that immigrants have better housing than others. The third is that public assistance recipients are at a disadvantage in obtaining housing through the usual market mechanisms. Let us see how far these will take us.

TABLE 4-17

Frequency of Housing Defects by Tenure, in Percentages

	Rented*	Being Purchased*	Owned*	Total
Sagging	17	10	2	11
Holes, Cracks, Loose or Missing Materials	12	3	2	7
Deep Wear	45	24	7	29
Broken, Loose, Missing Stairstep, Railings	16	7	2	9
One or More of the Above	45	26	13	31

*For rented units, N=89. For units being purchases, N=62. For units fully owned, N=46.

4.66 It is clear from Table 4-17 that there are quite dramatic differences in the quality of homes by tenure. Almost half of the homes being rented had one or more of the defects we checked for,

against one-quarter of those being purchased and one-eighth of those which were fully owned. Further, there were differences in the rate of multiple defects. Among rented homes, every one that suffered from sagging, holes and cracks, or defects in the stairs also suffered from deep wear.* The picture was somewhat better among units being purchased. Among those that were fully owned, there was no case in which more than one of the defects we checked for was present.

4.67 The relation of this to income adequacy becomes clear when we remember that the highest proportions of renters are found in the lowest income adequacy categories. In the lowest, fully 90% are renters. We can account for about 40% of the differences among our income adequacy categories in terms of this kind of difference in tenure.**

4.68 The second explanation we have suggested is that immigrants have better housing than others. It is commonly observed that immigrants have a strong desire to own their own homes, and to keep them in the best of repair. Within our sample, this appeared to be so. Of those born in Canada, 62% were renters; of those born outside Canada, only 23%.*** Further, their homes were much less likely to display the defects we checked for. Table 4-18 indicates clear differences between families whose head was born in Canada, and families whose head was born outside Canada. In the former group, over 40% of the homes show one or more defects; in the latter, only 18%.****

TABLE 4-18

Percentage of Dwelling Units with One or More Observed Defects, by Place of Birth

	Ontario*	Other Provinces*	Outside Canada*
Dwellings with one or more observed defects	41	43	18

*For Ontario, N=78. For Other Provinces, N=30. For Outside Canada, N=84.

* There is nothing in our data to indicate to what extent the defects of rented units result from inappropriate behaviour of the tenants.

** Guttman's lambda $\doteq$ .42.

*** $P < .00005$

****$P < .0005$

4.69 A large part of the difference between immigrant families and others can be accounted for in terms of differences in tenure - over half, in fact.* The rest of the difference cannot be explained from our data, but it must be due in some measure to the immigrant's desire to keep his home in good condition.

4.70 Since there are different proportions of immigrants in the different income categories, immigrant status will be a second factor in explaining the differences in housing quality among them. This second factor will explain about 12% of the differences.**

4.71 Our third explanation is that welfare recipients find it more difficult than others to make use of ordinary market mechanisms. Table 4-19 indicates there are quite sharp differences between families receiving public assistance and other families in poverty.*** (Although the table does not show it, there is an equally large difference in the presence of multiple defects.)

TABLE 4-19

Frequency of Housing Defects Among Recipients of Public Assistance, Other Families in Poverty, and Families Not in Poverty, in Percentages

	Public Assistance Recipients*	Other Poor Families	Families Not in Poverty
Percentage** with one or more of the defects listed in Table 4-16	58	34	22

* Includes both families receiving General Welfare Assistance and families receiving Family Benefits.

**For assistance recipients, N=26. For other poor families, N=67. For families not in poverty, N=94.

* Assuming no interaction between the two variables.

** Guttman's lambda for the two factors together = .54.

***$P < .025$

4.72 A large part of this difference can be accounted for in terms of tenure and immigrant status, since the vast majority of welfare recipients rent, and there are few immigrants among them. But after these have been allowed for, a sizeable portion remains, enough to explain about 8% of the difference among the income adequacy groups.*

4.73 Since welfare recipients, in fact, are spending as much on rentals as others, and getting as many rooms for their payments, it seems reasonable to look to difficulties they may have in obtaining housing to explain the more frequent presence of defects in their quarters. Many landlords will not rent to welfare recipients, thus limiting their range of choice. Sometimes a family will find its economic situation very difficult because of the decline in income that comes with going onto public assistance, and will find it necessary to move to less expensive quarters quickly to balance their budget. In these circumstances, they do not have an opportunity to survey the market as well as they would like to. Sometimes, too, they find that a landlord, discovering that they are receiving public assistance, will set the rent equal to the maximum public assistance allotment for housing. Since leases are very rarely involved, the family has no security and, rather than face the difficulty of finding another place, pays what is asked. Other kinds of difficulty may arise, but these will suffice to illustrate the special problems of the public assistance recipient in working through the usual market procedures.

4.74 The three factors we have discussed - tenure, immigrant status, and receipt of public assistance - together would enable us to predict just over 60% of the differences in the presence of housing defects among our income adequacy categories. We cannot, on the basis of our data, acccount for the remainder of the differences. But, at any rate, it appears that we have isolated three of the most significant factors associated with them.

Housing Satisfaction

4.75 The quality of housing, in terms of the defects we have examined, is strongly related to housing satisfaction. Table 4-20 shows the relationship.

*Guttman's lambda for the three factors together $\doteq$ .62.

TABLE 4-20

Housing Satisfaction, by Presence of Defects, in Percentages

	Very Satisfied	Satisfied	Dissatisfied or very Dissatisfied	Total
Homes with no defects	32	57	11	100 (N=136)
Homes with one or more defects	14	56	30	100 (N=59)

4.76 It is clear that the defects we have examined are a major determinant.* Respondents living in homes with one or more of these defects are almost three times as likely as those living in homes with none of them to be dissatisfied with their housing. Those in homes with none of the defects are more than twice as likely to say they are very satisfied.

4.77 Although the relationship is a very strong one, it nevertheless leaves a good deal unexplained. Other defects than those we have checked for are undoubtedly involved, as well as counterbalancing positive features. Unfortunately, from our data we cannot provide an indication of what these other factors may be.

4.78 We can, however, indicate which of the groups among our subjects are most satisfied. In view of the strong relationship between defects and housing satisfaction, it is not surprising to learn that the same groups whose housing showed the fewest defects are now those who indicate the greatest satisfaction.**

4.79 Table 4-21 shows the relationship between tenure and satisfaction.

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* Goodman and Kruskal's G = .50, $P < .0005$.

**It should be pointed out that being satisfied, in the general sense in which the term is used here, does not imply the absence of specific complaints, or of a desire for improvements.

TABLE 4-21

Housing Satisfaction by Tenure, in Percentages

	Very Satisfied	Satisfied	Dissatisfied or Very Dissatisfied	Total
Home Fully Owned	45	55	0	100 (N=44)
Home Being Purchased	25	67	7	99 (N=55)
Home Being Rented	18	51	32	101 (N=93)

4.80 It is clear that the relationship with tenure is an extremely strong one.* Almost a third of those living in rented quarters were dissatisfied. Among those who owned their own homes, none were. The sheer strength of this relationship suggests that something more than the frequency of defects lies behind it. That is, we cannot explain this relationship in terms of the presence or absence of defects.** Other possibilities must be considered. The most obvious is that our respondents place a high value on home ownership as such. Another possibility is that renters are less satisfied not so much because of tenure, but because they are living in apartments and would prefer single-detached units. The latter suggestion is supported by the fact that when asked what sort of a dwelling would be ideal for their families, over 90% of our respondents indicated their preference for a single-detached dwelling. Unfortunately, we cannot from our data determine the relative importance of these factors, or other similar factors that might be suggested. But, in any case, tenure appears to be more strongly related to housing satisfaction than other factors on which we have data.***

4.81 In view of the strong relationship between both tenure and frequency of defects and housing satisfaction, it is not surprising

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* For comparison between rented homes and those fully owned or being purchased, Freeman's theta = .33. The Mann-Whitney U test yields $P < .01$.

**Guttman's lambda $\hat{=}$ .14

***This suggests that families living in units assessed at over $2,500 might be more satisfied than those in our sample, since more are owners.

that immigrants, whose homes show fewer defects and are less likely to be rented, are more satisfied with their homes than native-born Canadians. Nor is it surprising that public assistance recipients, who in the vast majority of cases are renters, and in whose homes high proportions of defects were found, are less satisfied than others. Table 4-22 shows these relationships.

4.82 In each case, the differences are significant.* Although the table does not indicate it, it is apparent on analysis that differences in tenure and frequency of defects will largely explain the differences in satisfaction.

TABLE 4-22

Housing Satisfaction by Immigrant Status and Receipt of Public Assistance, in Percentages

	Very Satisfied	Satisfied	Dissatisfied or Very Dissatisfied	Total
Families headed by someone born outside Canada	35	54	11	100 (N=84)
Families headed by a native-born Canadian	19	59	22	100 (N=108)
Families Receiving Public Assistance	14	50	36	100 (N=26)
Families in Poverty, not receiving public assistance	27	57	16	100 (N=67)
Families above the poverty line	28	59	13	100 (N=94)

*In the first case, the Mann-Whitney U test yields $P < .025$. In the second, it yields $P < .05$.

4.83 Finally, in view of the differences in tenure, immigrant status, and sources of income among the income adequacy categories, it should not be surprising that there is a negative correlation between income adequacy and housing satisfaction. The relationship, although statistically significant, is not a powerful one.*

4.84 Another way to look at housing satisfaction is to see how people view their homes as places to entertain. We asked our respondents how often they were discouraged from having guests in because they felt their homes were too small or not nice enough. Table 4-23 shows the results in terms of income adequacy.

TABLE 4-23

Frequency of Feeling that the House is too Small or not Nice Enough for Guests, by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Rarely, Never	44	60	75	67	72
Sometimes	31	24	21	16	18
Often	25	16	4	16	10
Total	100	100	100	99	100

4.85 It will be seen that, with the exception of the borderline category, housing conditions play a progressively less frequent role in deterring people from having guests as income adequacy increases.**

4.86 It should also be mentioned in passing that there are differences in the frequency with which people are deterred from

* $r_s = -.17$, $P < .025$
** $r_s = .20$, $P < .005$

having guests between immigrant headed families and families headed by native-born Canadians. There are also differences between public assistance recipients and others. In other words, the results of this question repeat the results of the questions on the presence of defects and on general housing satisfaction.

Policy Implications

4.87 Having looked at housing quality from the point of view of crowding and frequency of defects, and at housing satisfaction both in general terms and in terms of its impact on social life, what have we found that is significant for policy? This is a complicated question, but perhaps we can point to some of the major problems that need to be faced.

4.88 1. Perhaps the most important of these lies at the root of the puzzling relationship of income adequacy to the presence of defects. The reader will recall that neither rent (nor mortgage payments) nor dwelling size showed any meaningful change with income adequacy, but frequency of defects did. Put another way, at this level there is little relationship between monthly rent and the quality of housing. The market fails to relate price to quality effectively. This can only result from a lack of adequate housing that low income families can afford. In this situation, granted the shortage of vacant units at all price levels, spending more money on housing may not help a family to do better. It would appear that many of the particular problems of welfare recipients reflect this general situation. Our data do not indicate what steps must be taken to deal with this, but it is clear that this is a pressing problem.

4.89 2. A related problem is the availability of housing for larger families. If our interpretation of the relationship between crowding and income adequacy is correct, it means that there are many large families which cannot obtain housing large enough for their needs within the rental (or price) range they can afford. Since this conclusion was more a matter of interpretation than the previous one, perhaps an appropriate suggestion might be that more research should be undertaken on this question.

4.90 3. One of the implications of the finding that immigrants' homes are in better condition than those of native-born Canadians appears to be that it is possible, at the income levels involved in our study, for some people to improve the condition of their

housing. In view of this, it seems that house by house or block by block approaches to housing improvement, such as those now being undertaken in the north end of the city, are quite appropriate, if of limited impact. Other strategies that could be considered include a minimum standards by-law and low-interest improvement loans.

4.91 4. Data to be presented in Chapter 5 will indicate that, within our sample, poor housing conditions are closely associated with severe social maladjustment. This lends a particular urgency to the need to improve housing conditions for the very poor. We will return to this point in Chapter 5.

LIVING CONVENIENCES

4.92 Our final approach to examining the living standards of the poor was to see whether they were without some of the living conveniences that middle class people take for granted. We asked about: the telephone, radio, television, refrigerators, hot and cold running water, and washing machines. Table 4-24 shows the results.

TABLE 4-24

Families Possessing Selected Living Conveniences, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Telephone	70	92	90	100	100
Radio	87	92	100	100	100
Washing Machine	85	82	93	93	93
Refrigerator	98	100	100	100	98
Television	97	97	97	98	98
Hot and Cold Running Water	100	100	100	100	100

4.93 It will be seen that the conveniences at the top of the table are more likely to be absent among the poor. In the case of the telephone, 30% of the respondents in the very poor category replied that they did not have one. The figure drops to 8% or 10% in the poor and borderline categories, and to zero in the categories above the poverty lines.* Although the trend is less sharp for radios, it is still clear that the two lower categories are at some disadvantage. Thirteen percent of the very poor category and eight percent in the poor category are without a radio.** When we reach washing machines, the trend is barely significant.*** It may be that it is due simply to the fact that people in the lower categories are more likely to be living in apartments and, hence, to rely on washing facilities in the buildings. For the other conveniences that we checked - television, refrigerators, and hot and cold running water - there are no significant differences in terms of income adequacy.

4.94 In some ways, these results are reassuring. Virtually everyone has television. If a family does not have a radio as well, it is not so serious. The absence of a washing machine may pose little inconvenience if there is a laundromat nearby.

4.95 But from other points of view, the absence of some of these conveniences may be more serious. The cost of using a laundromat to do washing for a large family is likely to exceed the cost of purchasing and owning a machine. When the difference must be taken from an already hard-pressed budget, it will cause additional strain. Besides the possibility of emergencies, the lack of a telephone for a family that cannot afford commercial recreation and cannot afford to travel much for visiting may also mean additional isolation. This point will be returned to in Chapter 5. In terms of policy, these considerations simply re-echo the point that families should have sufficient income to provide the basic things that most of our society takes for granted.

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* $r_s = -.34$, $P < .00005$
** $r_s = -.19$, $P < .005$
*** $r_s = -.12$, $P < .05$

SUMMARY

This chapter has covered a good deal of ground. We would like to conclude it with a summary of what we feel are the most important points it raises.

1. Income and Family Size

   a) About one-quarter of the poor families we interviewed were less than $500 below the poverty line. Another one-fifth were from $500-$1000 below. The remaining eleven-twentieths were $1000 or more below it.

   b) The largest single group at all levels of poverty consisted of families whose major source of income was wages and salaries.

   c) One-quarter of the poor families in our sample had incomes of over $5,000. This suggests some of the limitations on attempts to eliminate poverty by simply increasing the earnings of families with the lowest incomes.

   d) Among families in our sample, $1000 or more below the poverty line, fully two-fifths consisted of six or more members.

2. How Do the Poor View Their Economic Situation?

   a) Only in the categories above the poverty line do a majority of families say that they have enough income to meet their needs. In the lowest category, the very poor, eighty-five percent say they do not.

   b) Families at different levels of income adequacy have different priorities for what they would do if they had additional income. Among the very poor, over two-thirds of the responses to this question had to do with improved accommodation, clothing and food.

3. Shopping Practices

a) Within our sample, there were no differences between the poor and the non-poor in where they shopped for groceries. But respondents living in Zone 1 were less likely to shop in supermarkets.

b) The very poor are much less likely than others to shop for clothing in department stores and much more likely to rely on cut-rate stores or religious bodies' clothing shops.

4. Expenditure Patterns

a) As income adequacy decreases, families spend less per capita on food but more as a percentage of their income.

b) As income adequacy decreases, families spend less per capita on clothing but more as a percentage of their income.

c) There is no clear relationship between rent or mortgage payments and income adequacy. But monthly housing costs take a much higher proportion of income among the poorer groups.

d) Expenditures for food, clothing and shelter are consistent with our poverty lines.

e) As income adequacy rises, recreation expenses per person increase sharply. But recreation costs as a proportion of income do not.

f) Similarly, as income adequacy rises, debt payments per capita increase, but debt payments as a proportion of income show no such pattern.

g) As income adequacy rises, savings increase very sharply. Only one family in eight among the very poor could get along for a month on savings, compared with over three-quarters of those in the moderate income category.

h) Unemployment becomes much more common as we move down the income adequacy scale.

5. Housing

a) At the income levels found in the survey large families may have difficulty in finding accommodation.

b) The presence of obvious observable defects decreases as income adequacy rises.

c) These defects are more common in rented accommodation, more common in homes of families headed by native-born Canadians, and more common in homes of public assistance recipients than others.

d) Housing satisfaction is strongly related to the presence of these defects.

e) The families least likely to be satisfied with their accommodation are:

i) renting their homes;
ii) headed by native-born Canadians;
iii) receiving public assistance.

f) Families low in income adequacy are more likely than others to be deterred from having guests in by the size and/or condition of their homes.

6. Living Conveniences

a) Telephones, radios and washing machines are less likely to be found in the homes of families toward the lower end of the income adequacy scale. On the other hand, television, refrigerators, and hot and cold running water are as likely to be found there as elsewhere.

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CHAPTER 5

WHAT ARE THEIR ATTITUDES AND WAY OF LIFE?

CHAPTER 5

WHAT ARE THEIR ATTITUDES AND WAY OF LIFE?

5.1 In this chapter, we will present our findings on the way of life of the poor. We have obtained information on a wide range of topics, which we have organized under six main headings:

1) Female Employment and Family Size;

2) Recreation;

3) Participation in Organizations;

4) Attitudes to Their Situation;

5) Education;

6) Family Problems.

A part of section 6 will be a consideration of the characteristics of families who are in contact with social agencies. In conclusion, we will discuss whether we have found a "culture of poverty" in Hamilton.

1) FEMALE EMPLOYMENT AND FAMILY SIZE

5.2 One of the more striking differences between the poor and the non-poor is in female employment. Table 5-1 shows that in a family above the poverty line, a wife is more than twice as likely to be working as is a wife in a family below the poverty line.* The difference is particularly pronounced for full-time employment.

*$r_s = .27$, $P < .0005$

TABLE 5-1

Wife's Employment by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor Moderate Income*
No Employment Outside Home	84	85	78	53
Part-time Employment	16	9	15	26
Full-time Employment	0	6	7	21
Total	100	100	100	100

*These categories are shown together because the percentages are identical.

5.3 One interpretation of this might be that these differences exist simply because families where the wife is working are likely to have higher total incomes than families where she is not. Or that, if she is working, the family is likely to be small, and to require relatively little income. These points are clearly correct, but there are other considerations. Table 5-2 shows the wife's employment by the family's major source of income, for families below the poverty line.

5.4 It will be seen that in families whose major source of income is wages and salaries, the wife is much more likely to work. This fact makes possible an alternative explanation of why the wives in poor families are less likely to be working. In the case of families whose major source of income is old age pensions, it is hardly surprising that the wives are not working. In the case of public assistance recipients, there is little or no incentive for the wife to work. If the family was receiving General Welfare Assistance, everything she earned would simply have been deducted from the welfare cheque.* If the family was receiving Family Benefits,

*Legislative changes since the time of the survey have made it possible for municipalities to allow a portion of earnings of General Welfare recipients not to be deducted. The Hamilton Department of Public Welfare is taking advantage of the new legislation.

only a small amount would not have been deducted. In the category "other", most were receiving payments from a worker's insurance scheme. Those receiving Workmen's Compensation were often bed-ridden because of their disability. In these cases, the wife usually preferred to be home. Among those receiving Unemployment Insurance were families where the wife had not worked before her husband became unemployed, and did not want to start because of this temporary state of affairs. These families were often large.

TABLE 5-2

Wife's Employment by Major Source of Income, for the Poverty Sample, in Percentages

	Wages and Salaries	Public Assistance	Old Age Pensions	Other
No Employment Outside Home	65	92	100	94
Part-time Employment	10	0	0	0
Full-time Employment	25	8*	0	6
Total	100	100	100	100

*These were unusual cases in which both husband and wife had been recently laid off.

5.5 In short, it is only in families whose major source of income is wages and salaries that we might expect to find a high proportion of women working. There is, in fact, a relatively small difference between the proportion of working wives in this category of the poor and the proportion in families above the poverty line.

5.6 Thus, it appears that the lower proportion of working women among families in poverty can be primarily attributed to the fact that, among some types of poor family, there are often strong reasons for not working which do not apply to families above the poverty line.

5.7 It might be suggested that making inexpensive day care available would likely increase the number of working wives among the poor, and, hence, reduce the numbers in poverty. More liberal allowances on the amount of earnings families receiving public assistance might keep should have the same effect. From our data, however, we cannot readily estimate the impact of these changes.

Family Size

5.8 The importance of day care is underscored by the fact that in families below the poverty line, a wife who must work to supplement the family's income will often have a relatively large family. Although the numbers of families are small, it is interesting to note that among families in the upper two income adequacy categories where the wife is working, two-thirds have two children or less. Among families in the lower three categories, more than half have three children or more.* This reflects the fact that families in poverty are, on the average, larger, as we will see in a moment in Table 5-3.

5.9 Table 5-3 shows the number of children families have had, the number living with them currently, and the number they would like to have if they could start over.

TABLE 5-3

Mean Number of Children Ever Had, Mean Number Currently Living with Family, and Mean Number the Respondent Would Have if He Could Start Over, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Mean Number Ever Had	4.6	3.1	3.4	2.7	2.0
Mean Number Living with Family	3.7	2.7	2.9	2.5	1.8
Mean Number Respondent Would Have if He Could Start Over	2.3	2.3	3.2	2.8	2.4

*For the comparison, $P < .05$

5.10 It will be seen that there are strong downward trends both in the average number of children that families have had, and in the average number of children living at home, as income adequacy increases.* On the average, the very poor have had more than twice as many children as the moderate income group. At the time of the survey, they also had twice as many living at home.

5.11 But, if they could start over again, the situation would look quite different. The very poor and the poor would reduce their family sizes quite noticeably. The very poor, in particular, would cut their family size by fifty percent. The result would be that families at all five levels of income adequacy would be much the same size.

5.12 The question this raises is whether people's actions match their aspirations; or, in other terms, whether the different income adequacy groups make similar use of birth control. In every family where the wife was under 45 years of age and living with her husband, we asked whether they regularly practiced any form of birth control.

5.13 While there are some differences among the income adequacy groups, there is no pattern of increase or decrease with income adequacy. If we divide our respondents into those above and those below the poverty line, we find that 47% above are using birth control and 43% below.** This difference is far too small to be statistically significant.

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* For the total number born, $r_s = -.57$, $P < .00001$. For the number currently living at home, $r_s = -.45$, $P < .00001$. It should be mentioned that while there are differences in age among the income adequacy categories, these play only a minor role in producing these trends.

**The reader may wonder why the figure is this low. Actually, it is similar to the figures obtained in other recent studies. It must be remembered that many women of whom the question was asked, particularly those close to the upper age limit, would no longer be fertile. A certain number would be pregnant, or intending to become pregnant. In a few cases, physical disability or the impending breakup of the marriage would mean that intercourse was not engaged in. In other words, the figures we have given do not necessarily imply that there are a significant number of families not practicing birth control where an unwanted pregnancy is likely to result.

5.14 But if this is so, why have the poor families had more children? We cannot answer this question directly from our data, but a reasonable interpretation can be suggested. In studies in the use of contraception done ten or more years ago, it was almost universally reported that families with low incomes and/or low education made relatively little use of birth control. But since the advent of oral contraception, the picture found in many studies has been quite different. For example, the Canadian Family Growth Study, carried out in Toronto in 1968, indicated that by that time there was no longer any difference in the use of oral contraceptives in terms of education.* Similarly, recent market research has indicated that, while there are differences in the particular methods employed by different income groups, there is little difference in the total percentages who use one form of contraception or another.

5.15 What this would suggest is that we are now in the period during which the larger families born to low income families in the period when contraception was more a middle-class practice are growing up. As these families gradually reduce in size, the association between income and/or education and family size should tend to decline and, perhaps, disappear.

5.16 If this is so, how will it influence the extent of poverty? This is difficult to predict. But let us suppose, for example, that our respondents had actually had the number they say they would like to have if they could start over. Suppose further that their income levels would not be affected by the increased ease with which the mother could work. Suppose we assume, finally, that the time period over which the children had been born would have shrunk in proportion to the number of children. On these assumptions, we can estimate how much of today's poverty would not exist.

5.17 Actually, the reduction is not as great as we might have thought. The reason is that some of the largest categories of the poor would not be affected by this. For example, in the case of old age pensioners, whose families have ordinarily left home, the number of children they once had would be irrelevant.** Old age pensioners make up one-fifth of the poor in our city. Families receiving public assistance would be below the poverty line whether they have many

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* Among Roman Catholic women, the least educated showed less use of the pill than the better educated, but this was attributed to a high proportion of immigrants from southern Europe, rather than to lower education itself.

**Except insofar as it has affected their ability to save for their old age, or to get help from their children.

children or few, because payments are determined in accordance with family size. Families receiving public assistance make up one-quarter of the poor in our city. It is only in cases where the major source of income is employment or a worker's insurance scheme that the number of children that the family had had would matter.

5.18 But when we look at these cases, we note something important. If the assumptions we have set out were met, then about one-third of the families where employment or worker's insurance schemes were the major source of income would be lifted above the poverty line. A further one-quarter would be drawn closer to it. The others would like to have the same number of children they did have or, rarely, more.

5.19 Altogether then, the numbers in poverty would be decreased by about one-sixth. If we can assume that families now being formed will share the same values towards child-bearing, then over the next few years a reduction of about this size should occur in the proportion of families living in poverty. This will depend, of course, on the average family's having the same number of children it desires. In point of fact, we might expect some to have more and others less. It will also depend on whether families now being formed want the same number of children the families in our sample say they would like. Neither of these requirements is by any means certain.

5.20 But although we cannot predict the precise degree of change that will take place, it appears that the trend to greater use of contraception among low income families, together with our generally declining birth rates, gives us reason for a certain degree of optimism. This is particularly worth noting in view of the point, made in Chapter 4, that the larger family is the one least likely to be brought out of poverty by measures aimed at increasing the wages or salaries of those who now earn the least. If the larger family becomes less common, this kind of measure can be expected to deal with a greater proportion of the problem.

2) FAMILY RECREATION

5.21 Another aspect of family life which we have examined is recreation. We asked our respondents how often their family (either the parents alone or with the children) went out to: relatives' homes, friends' homes, parks, playgrounds, bars and taverns, movies, clubs, school events, recreation centres, bingo games, and sporting events.

5.22 In some cases, there were clear differences among our income adequacy categories. Let us begin with visiting. Table 5-4 shows the frequency with which our respondents visited relatives.

TABLE 5-4

Frequency of Visiting Relatives, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Once a week or more	22	31	29	47	59
Less than once a week, but once a month or more	27	34	39	24	16
Less often or never	51	34	32	29	25
Total	100	99	100	100	100

5.23 It will be immediately apparent that there is a strong tendency for visits to become more frequent as income adequacy rises.* The percentage who visit relatives once a week or more increases more than two and one-half times, from 22% to 59%, as we move across the table. At the same time, the percentage who visit relatives less than once a month is reduced by one-half, from 51% to 25%.**

5.24 A similar pattern appears when we examine the frequency of visiting friends. Table 5-5 shows this trend.***

* $r_s = -.25$, $P < .001$

** We did not ask whether our respondents had relatives living in the district. We did ask whether they had relatives living in the neighbourhood. The income adequacy groups did not differ significantly in this respect.

*** $r_s = -.23$, $P < .001$

TABLE 5-5

Frequency of Visiting Friends, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Once a week or more	24	46	37	46	51
Less than once a week but once a month or more	24	22	37	37	24
Less often or never	51	33	27	17	24
Total	99	99	101	100	99

5.25 It will be seen that the percentage who visit friends once a week or more doubles as income adequacy increases, moving from 24% to 51%. At the same time, the percentage who visit relatives less than once a month is reduced by one-half, dropping from 51% to 24%.

5.26 It is interesting to note that the two tables are so very similar. On the average, it appears that families at all five levels of income adequacy visit relatives and friends to almost the same degree. This is particularly of interest in view of the suggestion in some of the literature that poorer families are likely to rely more on their relatives for social contact than other families do. From our sample, this does not appear to be the case.*

5.27 More important is the fact that our findings agree with other studies in showing progressively lower levels of visiting as adequacy falls. This finding has, in fact, been one of the central areas of debate in the controversy over the existence of a "culture of poverty". In its simplest form, the question has been whether the tendency of families in poverty to do less visiting than others

*Of course, at some income level above those in our sample a change may occur.

is a matter of economic circumstances or a matter of value differences. Under the former heading could be placed such explanations as that visiting will require you to hire a babysitter, pay for transportation, and cover the costs of entertaining in return. On the other hand, reasonable explanations in terms of values can also be put forward. It has been suggested that as a result of conditions like those we have just mentioned, a family may become apathetic to social contact, and pass their apathy on to the children. Similarly, it has been suggested that the constant pressure of not having enough income can cause a family to turn in on itself and to lose interest in others. This attitude could also be passed on to the children. Another type of argument suggests that because low income families tend to live in concentrated areas, they may develop their own culture, one feature of which may be a lack of interest in social contacts. Other types of argument have been advanced. These will suffice to illustrate the range of explanation that has been offered for the phenomenon we have observed. Because of the diversity of these explanations and the general interest in the topic, we have made as full an analysis as possible of our data on this topic.

5.28 The first thing to do was to see if the trends we had observed could be explained by something that was only indirectly related to poverty. Were there particular groups, for example, that would tend to have low rates of visiting for reasons unrelated to poverty, and which would be concentrated in one part of the income adequacy scale? To this question, there seemed one obvious reply. Senior citizens might be expected to have low rates of visiting because of declining vitality or because of the death of many of their relatives and friends. Another less obvious possibility was that immigrants or internal migrants might have low rates of social contact because they had left friends and relatives behind.

5.29 In the case of senior citizens, it appeared that our suspicions were warranted in one case but not in the other. They displayed a very low rate of visiting relatives, but a normal rate of visiting friends. The same applied to internal migrants. In the case of immigrants, however, there were normal rates both for visiting relatives and for visiting friends. Apparently, they have tended to come in related groups and to have made friends here to a normal extent. In sum, there were no important differences in the frequency of visits to friends, but both senior citizens and internal migrants showed unusually low frequencies of visiting relatives.

5.30 To see what effect this had, we tested the relationship between income adequacy and visits to relatives with these two groups removed from the sample. The relationship was almost the same as before* This apparently occurred because the effect we were concerned

*G actually increased from .27 to .31.

about had been balanced by another. The senior citizens, in particular, showed little variation in frequency of visiting in terms of income adequacy. In this respect, they had reduced the overall relationship of income adequacy to visiting. This effect cancelled out their concentration in the lower income adequacy groups as a determinant of the overall relationship.

5.31 Thus, we concluded that we could not explain the relationship between income adequacy and frequency of visiting in terms of the more obvious demographic factors. But another possibility appeared. The reader will note that both in Table 5-4 and in Table 5-5, the percentage of respondents within the poor category who visit more than once a week reverses the general trend. The same thing occurs if we remove the senior citizens and internal migrants. Since the poor category was also out of order in terms of family size, it appeared that family structure might be involved. A family with no children was likely to find it easier to go visiting than a family with several, particularly if the children were young. And the trend in visiting was very similar to that for family size.

5.32 This, too, failed to provide an explanation of any important part of the trend. We divided our respondents into three groups:

1) those who had no children or only children ten years of age and over;

2) those who had only children under ten;

3) those who had both children below ten and children ten and over.

Since these groups would have different child care needs, we expected that, if family composition was an important factor in determining frequency of visiting, they would show differences. In fact, the differences among them were not very large, and explained only about 15% of the trend among the income adequacy categories.*

*Partial G, for these three categories, with old age pensioners treated as a separate category, was .20 for visiting relatives and .26 for visiting friends. These compared with original G's of .27 and .31. The greater decline for relatives was due to treating old age pensioners as a separate category. As we have mentioned in the text, this group showed little variation in frequency of visiting relatives in terms of income adequacy.

5.33 Having failed to explain the trend in terms of the usual kind of demographic variables, we next turned to the possibility that other factors closely linked to income adequacy might be the underlying cause. One possibility was that employment was involved. Many associations are formed at work, and, in some cases, social acceptability will be defined in terms of employment. It seemed reasonable to hypothesize that visiting would be least frequent where neither parent worked and most frequent where both worked.

5.34 We divided our respondent families into those in which 1) neither parent worked regularly; 2) one parent worked regularly (cases of temporary short-term employment were included); and 3) both parents worked regularly (part-time work was included). The number of parents working shows a strong relationship with income adequacy.* We hoped it might partially explain the income adequacy trend.

5.35 In the case of visiting relatives, it proved quite ineffective.** But in the case of visiting friends, it showed a great deal of explanatory power. Although it did not display as strong a relationship to visiting friends as income adequacy did, the relationship was nevertheless significant.*** Table 5-6 shows the relationship.

TABLE 5-6

Frequency of Visiting Friends, by Number of Parents Regularly Employed, in Percentages

Number Employed	Once a week or more	Once a month but not over a week*	Less Often*	Never	Total
None*	32	19	27	23	101
One*	45	29	18	9	101
Two*	45	36	19	0	100

*For None Employed, N=38; for One Employed, N=105; for Two Employed, N=42.

* G = .46
** Partial G declined to .25 from an original G of .27
***G = .18

5.36 What is more important is its effect on the relationship between income adequacy and visiting. When we control for the number of parents working, we find that the relationship between income adequacy and visiting is reduced by almost sixty percent.* At the same time, when we control for income adequacy, the relationship between the number of parents working and frequency of visiting declines by less than one quarter. It is no great surprise, in terms of the strong association between income adequacy and the number of parents working, that each variable, when controlled by the other, shows a reduced relationship with visiting. But the number of parents working has much more effect on the relationship with income adequacy than is true the other way around. We have interpreted this to mean that the number of parents working is an important determinant of the relationship between income adequacy and frequency of visits to friends.

5.37 Unfortunately, its effect cancels out the effect of family structure. When we control for the structure of the family, as defined above, as well, no further reduction in the correlation is obtained. Thus, more than forty percent of the relationship remains unexplained. And as was mentioned, the number of parents working seems to have no effect on the frequency of visiting with relatives.

5.38 In search of further explanations, we next turned to matters of cost. We did not have data to test all of the possibilities, but we tested as many as possible. The data on family composition suggested that babysitting expenses, while they might be a determinant, were not an overpowering factor. We were also able to test whether the absence of a telephone or the condition of the respondent's home would explain the trend. Neither did. While families without a telephone were slightly less active in visiting than others and while they were concentrated among the poor families, they were too few in number to make any real difference. Although we had thought that the necessity to return hospitality would mean that the condition of the respondent's home, or at least his view of it as a place to entertain, would be a factor in determining the extent of the family's social life, but neither of these variables was very helpful. The condition of the home, as measured by the presence of the obvious defects we have discussed in Chapter 4, does not show a significant relationship to frequency of visiting. Nor does the frequency with which respondents felt their homes were too small or not nice enough to entertain in.

5.39 The only other cost factor we could test for was transportation. We asked our respondents how far from home the people they visited regularly lived (relatives not included). The very

*G declines from .27 to .11

poor visited with people who were more than ten blocks away significantly less than did others in our sample. This reflected the lack of an automobile. This, however, would explain only a small part of the overall trend, since the other groups did not differ in this respect. While we have no data on the distances at which relatives who were visited regularly lived, there is no reason to suppose the picture for relatives would differ greatly.

5.40 There are other material factors that might be involved, such as the cost of returning hospitality and the need for appropriate clothing for special occasions. Unfortunately, we cannot test their importance from our data. It might be remarked that if people socialize with others at their own economic level or with people who will appreciate their situation, the costs need not be great. Nevertheless, they cannot, from our data, be rejected as a factor in the relationship between visiting and income adequacy.

5.41 Our lack of success with demographic factors and such material factors as we were able to test led to a consideration of attitudes and values. One possibility was that visiting practices would be associated with differences in education. Many studies have shown that membership in informal organizations is linked to education. It seemed reasonable to think that it might be related to other forms of social contact. But, in fact, it too proved disappointing. The relationship between education and frequency of visiting either friends or relatives was not statistically significant.

5.42 Another possibility, less remote from the question at hand, was simply that low income people were less likely to form social ties. This was consistent with our finding that poor families in our city were less likely to like their neighbours. This is shown in Table 5-7.*

5.43 As income adequacy increases, the proportion of respondents who like their neighbours only a little or not at all drops by two-thirds, and the proportion who say they like their neighbours a lot increases by more than half. Apart from the borderline category, which is out of order, the progression is fairly regular across the table. This might be interpreted in several ways. First, it might be considered to be a reflection of the particular neighbourhood that they live in. This seems unlikely, however, in view of the fact that respondents living in our four different zones showed no significant differences in their attitudes to their neighbours. We have no ready way of testing the other major possibilities, namely, that poor people are simply unfriendly to their neighbours and that their neighbours are unfriendly to them. It may well be reciprocal, but we have no evidence to confirm or deny this.

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*$r_s = -.20$, $P < .005$

TABLE 5-7

Responses to the Question, "In General, How Much Do You Like the People in This Neighbourhood?", by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
A lot	19	14	23	22	33
Quite a bit	41	58	62	47	54
Only a little or not at all	41	28	15	31	13
Total	101	100	100	100	100

5.44 Another reason for suggesting that attitudinal factors may be involved is simply our lack of success with other variables. It is true material factors are involved. As we have mentioned earlier, the very poor category is less likely to visit regularly with people more than two blocks from home. Since this reflects their lack of cars, it suggests they would have difficulty in forming and maintaining friendships at a distance. Demographic variables are also involved. In the case of visits to friends, the number of parents working is a very important factor. In the case of visits with relatives, the composition of the family does explain a part of the trend. But although these factors do provide a partial explanation, there is still a good deal to be explained, particularly in the case of visits to relatives. It seems appropriate in terms of our difficulties in explaining the trend with other variables to suggest that research into possible attitudinal causes would be worthwhile.

5.45 Its value rests not only on theoretical considerations, but also on some of the consequences that may arise if differences in values, in fact, lie behind the differences in visiting practices. If the poor are cut off because others (even, and particularly, their relatives) prefer not to associate with them, then the possibility of their rejecting middle-class norms may be enhanced. Or, if the poor do not visit because they prefer not to socialize a great deal, one might wonder about the level of stimulation a child growing up in their homes would receive. In view of this kind of possibility, it seems that further research in this area would be well worthwhile.

5.46 Other forms of family recreation can be dealt with more simply, since they do not pose the same difficulties of interpretation. Among the other types of family recreation that we checked for, only two showed significant differences. Attendance at bingo and at sporting events tends to rise slightly with income adequacy.* But there is no trend in the case of visits to parks, playgrounds, bars and taverns, clubs, movies, school events, or recreation centres. What this seems to mean is that the most important differences between the poor and others in leisure time activities outside the home have to do with visiting rather than commercial entertainment or public recreation.

5.47 There are slightly greater differences in the leisure time activities that are carried out within the home. We were interested in the use of radio and television, and in reading, because we wanted to know two things: first, how much in contact our respondents were with the sources of information and entertainment that are dominant in our society, and second, what their major sources of information were. Table 5-8 shows the mean time spent watching television, listening to the radio, and reading in the week before the interview took place.

TABLE 5-8

Mean Time Spent Watching Television, Listening to the Radio, and Reading in the Week Before the Interview, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Television	19 hrs.	25 hrs.	23 hrs.	18 hrs.	18 hrs.
Radio	20 hrs.	24 hrs.	22 hrs.	16 hrs.	13 hrs.
Reading	4 hrs.	8 hrs.	7 hrs.	6 hrs.	7 hrs.

*For bingo, $P < .025$. For sporting events, $P < .05$.

5.48 It will be seen that, except for the very poor category, there is a downward trend in the time spent watching television or listening to the radio as income adequacy increases. In the case of television, the trend is not statistically significant. For radio, it is.* It will be readily apparent that there is no regular pattern in the time spent reading.

5.49 If we divide our respondents into those above and those below the poverty line, we can make some general comments on the extent to which the three activities are pursued. Below the poverty line, the average respondent spent twenty-two hours in the week before the interview watching television and the same amount of time listening to radio.** Above the poverty line, the time dropped to nineteen hours for television and sixteen for radio. Reading took up five and one half hours both above and below the poverty line.

5.50 It is apparent that both television and radio are major diversions. Below the poverty line, our respondents average more than three hours a day with each of these, compared to just over one-half hour a day spent reading. Above the poverty line, television took up more than two and one-half hours a day, and radio more than two hours. Since so much time is devoted to watching television and listening to the radio, it is important to know what kinds of program are tuned in. Table 5-9 shows our respondents' favourite types of program.

5.51 It will be immediately apparent that our respondents are much more interested in television as a source of diversion than as a source of information.*** At all income adequacy levels, the most common choice of program was a variety show or a comedy. Second place was taken either by a "thriller" (detective, spy or western program) or by the movies. Sports programs ran fourth. After all of these came public affairs programs and documentaries.

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* $r_s = -.21$, $P < .005$.

** The figure for radio is biased upward by the fact that two-thirds of our respondents were women. Female respondents averaged eight hours more radio time than male respondents. For television and reading there is no sexual bias because there were no meaningful differences between male and female respondents.

***This does not necessarily distinguish our respondents from the rest of the population.

TABLE 5-9

Favourite Types of Television Programming, by Income Adequacy, in Percentages*

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Public Affairs & Documentaries	6	6	12	10	9
Variety shows & Comedies	31	28	27	35	32
Detective, Spy & Western	20	17	18	16	13
Movies	19	17	19	20	20
Sports	6	14	9	11	13
Other	18	18	15	7	12
Total	100	100	100	99	99

*Each respondent was allowed up to three favourites. The percentages shown here are taken from all responses given within an income adequacy category. The percentage of respondents choosing any given type of program is ordinarily two to two and a half times the percentage shown here.

5.52 It is interesting to note how similar the choice of programs appeared to be across the table. In no case is there a significant trend; nor is there a difference when we divide our respondents into those above and below the poverty line.

5.53 Thus, it appears that the use of television is essentially the same throughout our sample. There is no significant difference in the amount of time for which television is watched in terms of income adequacy, and there is essential similarity in the types of program that are preferred. These tend, very strongly, to be diversionary rather than informative.

5.54 As we mentioned before, our poorer respondents tend to listen to the radio more than those who are better off. Is there a difference in program choices as well? Table 5-10 shows our respondents' favourite types of program.

5.55 It will be seen that there are only random fluctuations in program choice. In no cases is there a significant trend or a significant difference between those above and those below the poverty line.

TABLE 5-10

Favourite Types of Radio Programs, by Income Adequacy, in Percentages*

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
News & Public Affairs	15	20	29	21	19
Hot Line Shows	19	20	15	22	12
Musical Programs	28	30	27	28	40
Interview Shows (other than hot lines)	4	5	10	7	5
Other	35	25	20	23	24
Total	101	100	101	101	100

*Each respondent was allowed up to three favourites. The percentages shown here are taken from all responses given within an income adequacy category. The percentage of respondents choosing any given type of program is ordinarily one and a half to two and a half times the percentage shown here.

5.56 As in the case of television, the most commonly chosen favourite is diversionary. About thirty percent of all of the choices were for musical programs of one kind or another. But, unlike

television, radio attracts a high proportion of responses for programming of an informative kind. About one-fifth of all choices were for news programs and public affairs broadcasts (the preponderance of these choices were for the news). About one-sixth were for hot line shows, which in many cases are informative or stimulating on important public matters. These two categories make up close to forty percent of our responses. This would seem to suggest that radio may be the major source of information and stimulation on public issues for people in the income range of our study.

5.57 The only serious competitor seems to be the newspaper. Of those in our sample who had spent some time reading in the previous week, one-third said the only thing they liked to read was the newspaper. Of those who said they liked the newspaper but read other things as well, less than one-third indicated a preference for anything that would help to keep them abreast of public affairs. Thus, for over half of our respondents the newspaper was the only reading preference with a significant public affairs content.

5.58 Table 5-11 shows our respondents' favourite types of reading.

TABLE 5-11

Favourite Types of Reading, by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Newspaper	42	62	55	47	41
"Romantic"	15	5	5	0	5
Books - fiction (not including "romantic")	9	10	7	16	11
Books - non-fiction	3	5	7	10	14
Magazines (not including "romantic")	12	8	11	12	13
Other	18	10	14	14	16
Total	100	100	99	99	100

5.59 The newspaper receives more than three times as many choices as any other type of reading. Magazines, not including "romantic", and books of fiction come next with 11% of the choices each. Non-fiction books drew 7% of the choices and romantic material, e.g. confession magazines, nurse novels, etc., drew 6%. None of the choices grouped under the heading "other" drew more than 4% each.

5.60 While the choices of the different income adequacy groups seem very similar, there is one difference that is significant. There is a trend for non-fiction books to be chosen more frequently as income adequacy rises.*

5.61 In all, there seem to be few systematic differences in reading habits among our income adequacy groups. There is no pattern in the amount of time for which they read and there are only relatively small differences in their reading preferences.

5.62 There is one other form of recreation on which we have data. We asked our respondents if they had any hobbies. There was a strong association between having a hobby and education.** As education rises, so does the proportion who have hobbies. But there is no such relation between income adequacy and hobbies. Nor is there much difference in the types of hobbies that are pursued at different levels of income adequacy.*** Table 5-12 shows the hobbies mentioned by our respondents.

TABLE 5-12

Hobbies, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Needlework	41	34	34	36	50
Home Improvement	16	9	6	9	3
Sports	3	3	17	16	15
Gardening	11	22	9	11	12
Other	29	34	34	27	21
Total	100	99	100	99	101

* The Mann-Whitney U test yields $P < .025$

** $r_s = -.23$, $P < .001$

***It is possible, however, that respondents at different levels may have interpreted the term differently.

5.63 It will be seen that the most frequent choice across the table is needlework. The percentages are biased upwards by the fact that two-thirds of our respondents were women. But even had the sample been evenly balanced by sex, this would still have been by far the most common choice. Aside from its intrinsic rewards, one reason for its popularity may be that it is relatively inexpensive and can, in fact, result in savings on things that would otherwise have to be purchased ready-made.

5.64 On balance, it appears that the hobbies mentioned do not have much to do with income adequacy. There is only one significant difference in the table in terms of income adequacy. Sports are mentioned as hobbies more frequently in the better-off groups.* Hobbies thus reflect the general picture we have obtained for most other forms of recreation.

5.65 We could sum up our findings on recreation by saying that, apart from visiting, there are few leisure activities on which there are major differences in terms of income adequacy. Among the activities outside the home that we checked for, there were only two differences and these were not very significant. There was no difference in the amount of time spent listening to the radio or reading, and only a small difference in the time spent watching television. There were no differences in favourite types of radio or television programming and only one significant difference in favourite types of reading. As we have just seen, there is no significant difference in the frequency of hobbies and only one, barely significant, difference in the types of hobbies chosen. On balance then, the picture for recreation is one of general similarity, with a number of small specific variations.

3) PARTICIPATION IN ORGANIZATIONS

5.66 More important differences appear when we consider membership in organizations. Table 5-13 shows the percentage of respondents who regularly attend meetings of organizations or groups.

5.67 The three middle categories show similar percentages, but the outside categories differ considerably. Respondents in the very poor category were only one-third as likely as those in the moderate income category to attend meetings. Because of the differences in the outside categories, there is an overall tendency for membership in organizations to be associated with greater income adequacy.**

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* The Mann-Whitney U test yields $P < .05$.

** $r_s = -.17$, $P < .025$

TABLE 5-13

Percentage of Respondents Who Regularly Attend Meetings of Organizations or Groups, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Percentage regularly attending one or more groups	14	37	34	32	44

5.68 There is, however, no clear trend for respondents at different levels of income adequacy to belong to different types of groups. Table 5-14 shows no differences which are statistically significant.

TABLE 5-14

Types of Organizations Regularly Attended, by Income Adequacy

	Very Poor, Poor*	Borderline, Near Poor	Moderate Income	Total	Percent of Total**
Church groups	6	3	5	14	19
Lodges, social clubs	6	5	7	18	24
Ethnic societies	5	3	3	11	15
Service groups	2	6	1	9	12
Union groups	0	3	3	6	8
Other	4	9	3	16	21
Total	23	29	22	74	99

* These groups are combined because of the small numbers in each.
**This column gives the combined percentages for the three columns to the left of it.

5.69 The lack of significant differences may result from the small numbers involved. (The table is presented in absolute numbers rather than percentages because the numbers involved are so small.) Only one-third of our respondents were regular members of groups. With this number of cases, only quite major differences would appear as significant.

5.70 But there is still something important to be learned from the totals. Almost one-quarter of the groups to which our respondents were attached were lodges or social groups, about one-fifth were church groups,* one-seventh were ethnic societies, and one-eighth were service groups. Other types made up less than ten percent each. The groups represented include most of the major types of organizations in our society. But it is interesting to note (although it could not be gathered from the table) that not one of our respondents was a member of a political organization, either a party organization or a group dedicated to a specific set of policy changes. We will return to this matter in a moment.

5.71 But at this point, it seems appropriate to present some further material on organizational ties - in this case, ties to the church. Table 5-15 shows the frequency of church attendance by income adequacy. About thirty percent of our respondents attended forty times a year or more, about ten percent between eleven and forty times. Another thirty percent attended one to ten times, and the remaining thirty percent did not attend at all.

TABLE 5-15

Frequency of Church Attendance, by Income Adequacy, in Percentages

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
10 times a year or less	61	59	59	71	60
11-40 times/year	12	6	14	8	10
41 or more times/year	26	40	28	21	30
Total*	99	100	101	100	100

*This differs from the findings of a survey done in Census Tract 14 (a part of our Zone 1) in 1963 by Dr. P. Pineo, which showed that church groups were far the most common. Nothing in our data will explain the discrepancy.

5.72 It will be readily seen that there are no systematic changes in the table. At all levels of income adequacy, the frequency of church attendance is about the same. This will be of some interest in view of the common suggestion that the churches are essentially middle-class institutions. If this is so, it is not reflected in rising attendance figures as income adequacy increases. It may be, however, that there is an increase in attendance at income levels above those in the study.*,**.

5.73 Because it is a common suggestion that poorer people are unlikely to belong to organizations and unlikely to be easily interested in joining them, we were interested to know whether there would be differences in attitudes to the low income people's organizations that are now being set up in many places. We asked our respondents, "Today some people are talking about organizing groups of tenants or low income people to try to get changes made in rental arrangements or government policies. What do you think of this?". Table 5-16 shows the responses.

5.74 It is abundantly clear from the table that our respondents support the concept. Almost sixty percent said that they thought it was a good idea, without qualifying the comment. Another thirteen percent said that while it might not work, it was worth a try. Altogether then, almost three-quarters of our respondents could be said to support the idea. Some of the people who gave these responses also emphasized that, in their view, there was a definite need for change. Of the one-quarter who did not clearly support the idea, almost one-half said they had no opinion or did not know. Only twelve percent made negative evaluations, either that this was unlikely to accomplish anything or that we would be better off without such organizations. The remaining comments were made by too few respondents to be classified separately. All told, seventy-three percent of our respondents could be definitely classified as supporting the idea, and only twelve percent against it.

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* We have no data on the general population of Hamilton, but these figures seem low in comparison with national survey figures.

**It might be suggested that there are changes in denominational affiliation with changes in income adequacy. In fact, there are no significant differences in the denominational composition of the income adequacy groups. The reader may recall from Chapter 1 that Catholics are slightly over-represented among the poor. But since they are also slightly over-represented in our non-poverty sample, no difference appears among our income adequacy groups.

TABLE 5-16

Attitudes to "Organizing Groups of Tenants or Low Income People to Try to Get Changes Made in Rental Arrangements or Government Policies", by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
A good idea	52	63	60	71	53
It may not work, but it is worth a try	14	8	17	10	16
There is a need for change	19	14	3	12	11
Unlikely to achieve anything	8	3	10	12	13
We'd be better off with fewer organizations	3	--	3	--	3
No opinion, don't know	19	14	3	7	16
Other	8	24	13	15	10
Total*	123	126	109	127	122

*Percentages total more than one hundred because of multiple responses.

5.75 This would seem to mean that there is a great deal of latent support in all of our income adequacy groups for organizations of this kind. On the other hand, it might be argued that, in point of fact, there is a negative relationship between income adequacy and membership in organizations, and that if groups such as these were set up, it would probably be those at the upper end of the income adequacy scale who would become involved. The extent to which this is so cannot be determined from our data.

5.76 A related question is how poor people view the efficacy of the political process. It is often suggested that poor people do not get involved in political affairs as much as others, even when the issues have a direct bearing on their welfare, because they are cynical about politics.

5.77 We have already seen that our respondents do not hold membership in political organizations. It was also true that, at the time of the survey, only three of our respondents were members of low-income groups of the kind we asked about, simply because there were so few groups present. The question is whether there is some underlying political cynicism among the poor that would prevent them from working effectively together to achieve their goals.

5.78 One indicator of political disenchantment, or at least of apathy, is the proportion who vote. Table 5-17 shows the percentage who say they vote in national elections, by income adequacy.*

TABLE 5-17

Percentages of Eligible Voters Who Say They Vote in National Elections, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Percent indicating they vote	71	70	87	69	69

5.79 There is no trend. Apart from the borderline category, for which the figure is higher, the percentages in each case are around seventy percent. Is this a contradiction of earlier research? Perhaps, but perhaps not. Many earlier studies of poverty have been concentrated on low income areas. What happens if we divide the city?

*Some studies have indicated that voting may be overstated. In this case, the figures are not far from the percentage who actually voted in the most recent election.

5.80 Table 5-18 shows the figures for our four zones.

TABLE 5-18

Percentages of Eligible Voters Who Say They Vote in National Elections, by Zones

	Zone 1	Zone 2	Zone 3	Zone 4
Percentages who say they vote	68	80	82	87

5.81 The figure for Zone 1 is noticeably lower than those for the other three zones.* It may be that this will provide a reconciliation between our findings and those of other studies. In our data, people in the lowest income area showed a lower than average propensity to vote. But this was not a matter of poverty as such, because within that area there was no difference between the poor and the non-poor. This would provide an explanation of why earlier studies, focussing on low income areas, have shown that the poor have a lower tendency to vote. It would also explain why surveys of whole cities have often shown the same. That is, since the poor are concentrated in the lowest income areas and others are not, they should, on balance, show below average voting.

5.82 While the explanation is a neat one, it leaves us with the puzzling question of why people in Zone 1 vote less frequently than others. We do not have an answer to this question.** There is, however, some corroborating evidence for the explanation we have suggested. Poll by poll analysis of federal voting patterns in the city has shown that Zone 1 tends to have lower voter turnouts. We are left, then, with an explanation wrapped in a puzzle. This could be a fruitful area for further research.

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* $P < .025$

**One suggestion might be that there is a higher proportion of recent immigrants in this area. But the question was applicable only to Canadian citizens. Further, there are no regular differences in voting habits in terms of place of birth - except that British immigrants for some reason were less likely to vote.

5.83 Another approach to political cynicism is to ask whether a specified issue or set of issues is likely to be affected by a change in government. We did not pursue this approach in any detail, but we did ask for our respondents' reactions to the statement, "In the long run and with some rare exceptions, who gets elected does not have the slightest influence on social welfare." Table 5-19 shows their reactions.

TABLE 5-19

Percentages of Respondents Who Agree With the View That, "In the Long Run and With Rare Exception, Who Gets Elected Does Not Have the Slightest Influence Upon Social Welfare", by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Percentage agreeing	44	47	43	44	58

5.84 There are again no significant differences. It is interesting to note that, although the difference is not significant, the most cynical group on this issue is the group with the highest income adequacy.*

5.85 What does this add up to? It seems true that, while there may be differences between the poor and others in political interests and attitudes, these differences do not appear in voting behaviour, or in the sense that political choices will affect social welfare. If there are no differences on these counts, then there is less reason than we might have supposed to expect low income organizations to be met with apathy by those in the poorest circumstances.

5.86 There is still the consideration, however, that the poorer families are less likely to belong to organizations at present. We cannot determine how important this consideration is from our data.

*Although the difference between the moderate income group and others is not significant at the .05 level, it is significant at the .10 level.

But a possible reply might be that this is because there are not enough organizations that are attempting to meet the needs they feel as their own.

5.87 But what do they see as their needs? To answer this question we must examine their views of their own situation.

4) ATTITUDES TO THEIR SITUATION IN LIFE

5.88 Some information on our respondents' attitudes to their situation has been presented earlier. It may be well to review this briefly before going on to present further material. In Chapter 4, it was shown that respondents were progressively less likely to believe their incomes were sufficient to meet their needs as we moved down our income adequacy scale. It was also shown that the poorer families were more likely to say that if they could start over again, they would reduce their family size. All of these findings seem to show that poor people are strongly dissatisfied with their economic status.

5.89 This should not come as a great surprise. But are there other things, that do not seem so directly related to economic status? We asked a variety of questions, but, naturally, we have been unable to tap more than a small number of the possible areas. Here we would like to report on three of them.*

5.90 The first provides a viewpoint on our respondents' attitudes to their neighbourhoods. We asked, in general terms, how well they liked their neighbourhoods as places to live. Table 5-20 shows the responses to this, by income adequacy, and by zone.

5.91 It will be seen that there is no regular relationship between income adequacy and attitudes to the neighbourhood. It is interesting, however, to note that the very poor are least likely to say their neighbourhood is a very good place to live, and most likely to say that it is not good.

5.92 But in terms of zones, there is a clear pattern. Respondents in Zones 1 and 2 are much less favourable towards their neighbourhood than those in Zones 3 and 4.** This ties in with the results of another question in which we asked our respondents where they would like to live if they could have their choice. There were no significant differences in terms of income adequacy. In each group, about fifty percent would like to move. But respondents

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* We are choosing these simply because they showed significant differences in terms of income adequacy, not for any theoretical reasons.

**The Mann-Whitney U test yields $P < .0005$.

from the different zones showed different attitudes to moving.* Those in Zone 1 were most likely to want to move out of the zone, those in Zone 2 came next, and respondents in Zone 3 and 4 were least likely to want to move out of the zone. Further, if we discount those who said they would like to leave the city (about one-quarter of our respondents), the preponderance of those who would like to move out of their zones would like to move into Zones 3 and 4.

TABLE 5-20

Respondents' Attitudes to Their Present Neighbourhoods as Places to Live, by Income Adequacy, in Percentages, and by Zone, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Very good	22	39	32	31	41
Fairly good	45	47	52	40	39
Not so good	10	8	13	21	10
Not good	22	5	3	7	10
Total	99	99	100	99	100

	Zone 1	Zone 2	Zones 3 and 4
Very good	31	28	53
Fairly good	43	47	38
Not so good	14	13	6
Not good	12	11	3
Total	100	99	100

*$P < .005$

5.93 What this seems to mean is simply that poor families, like those just above them in economic status, would often like to move to a more "desirable" location. This appears to depend essentially on where people live, rather than on income adequacy.

5.94 The motives for this may well be complex and we will not speculate as to what they may be. But the pattern does seem to indicate that many people in the lower income areas of the city may live there for reasons apart from their preferences. This suggests a need to consider why people would prefer not to live in these areas, and to work out ways of making them more desirable places to live.

5.95 It is frequently suggested that low income families are very concerned with respectability - much more so than middle-class families, who are more inclined to take it for granted. We asked our respondents to react to the statement, "People respect me." Table 5-21 shows their responses.

TABLE 5-21

Respondents' Reactions to the Statement, "People Respect Me", by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Definitely agree	56	63	58	71	77
Agree somewhat	33	34	29	29	21
Disagree somewhat or definitely	11	3	13	0	3
Total	100	100	100	100	101

5.96 It is clear that the poor families are more likely to have doubts.* The poor and the borderline categories are in

*$r_s = -.16$, $P < .025$

reverse order. Otherwise there is a steady increase in the number who definitely agree as income adequacy rises. Why this is so, we cannot determine from our data.

5.97 Another common suggestion is that poor people are likely to find life uninteresting because there is so little variety from day to day. We asked for our respondents' reactions to the statement, "I do many interesting things each day." Table 5-22 shows the results.

TABLE 5-22

Respondents' Reactions to the Statement, "I Do Many Interesting Things Each Day", by Income Adequacy in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Definitely agree	21	22	19	39	34
Agree somewhat	28	38	32	24	49
Disagree somewhat	31	24	42	29	10
Definitely disagree	21	16	6	7	7
Total	101	100	99	99	100

5.98 Again the suggestion is supported.* As we move across the table, the percentage who agree (definitely or somewhat) ruses from forty-nine percent in the very poor category to eighty-three percent in the moderate income category. It might be thought that education would be a factor in this; that is, that the better educated would have wider interests. But, in fact, there is no significant relationship between education and reactions to this statement.

* $r_s = -.22$, $P < .005$

5.99 We cannot easily explain this finding. One possibility is that it may reflect recreational patterns. The reader will recall that the poor families visited less often and spent less on recreation. Unfortunately, our data was not gathered so as to enable us to test this hypothesis.

5.100 Another possibility, although we cannot fully test for it, is that boredom results from the feeling that their talents are being wasted. Single parents or unemployed men, for example, might often be expected to have this feeling. In order to check for this, we asked our respondents to react to the statement, "I am doing things that make full use of my abilities." Somewhat to our surprise, there were no differences in the responses in terms of income adequacy. Old age pensioners were unusually likely to agree and General Welfare Assistance recipients were unusually likely to disagree.* But there is no general trend in terms of income adequacy.

5.101 Although there was no trend, it was interesting to note that over one-quarter of our respondents at all levels of income adequacy said they felt their abilities were not being fully used.** The reader will recall, however, that in Chapter 3 we pointed out that very few were taking courses to qualify for better jobs. Apparently, whatever frustration there is on this count does not lead many to seek occupational training. In some cases, this reflected a wife's family responsibilities. But in many other cases this explanation does not apply. We will return to this point in a moment.

5.102 But, first, we should summarize what we have learned about our respondents' attitudes to their situation. From our data, some dominant feelings appear to be dissatisfaction with their income and housing conditions, boredom, some doubts as to whether people respect them, and, in many cases, a sense that their talents are not being used.

5.103 Is there a brighter side to the picture? Perhaps there is. But the questions we have asked were aimed at possible problem areas. In some cases, we have found that problems we thought we might find were not present. But we were not looking for the things our respondents might particularly like about their situation, and, accordingly, we have nothing to report on them.

5.104 What we do have is evidence that whatever better features there may be, poor people feel a good deal of dissatisfaction with many aspects of their lives. This dissatisfaction

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* In each case, $P < .05$.

**We have no data for the general population to compare this with.

could be channelled for good or for ill. Hopefully, it can be channelled into constructive organizations and constructive programs aimed at eliminating the major sources of their discontent.

5) EDUCATION

5.105 For individual cases, there is another way out of these unsatisfactory conditions, and that is to advance one's schooling. Some people cannot benefit from this approach because they are out of the labour force - single parents and senior citizens, for example, or people who have been disabled. Others have reached the limits of their ability. Still others will be ineligible for upgrading programs because they have so little education at present. But, nevertheless, for many people further education would represent a means of moving upward.

5.106 As we have shown in Chapter 3, the poor are much less educated than others in the community. Here we would like to discuss this in more detail. Table 5-23 shows the education of the family head by income adequacy.

TABLE 5-23

Formal Education of Family Head, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Partial Elementary or Less	48	40	26	4	12
Complete Elementary	22	29	29	33	29
Partial High School	24	29	35	52	46
Complete High School or more	5	3	9	10	12
Total	99	101	99	99	99

5.107 The relationship is obviously a very strong one.* The head of a family in the very poor category is three and a half times as likely as the head of the family in the moderate income category not to have completed elementary school. He is less than one half as likely to have completed high school. This underscores the importance of further education as a means of getting out of poverty.

5.108 But, as we have pointed out in Chapter 3, this approach is not commonly being taken. Is there any likelihood that it will be taken more often in the future? We asked whether the head of the household was thinking of getting further training. Unfortunately, some of the results we obtained are open to doubt. When we asked women whether their husbands were thinking of this, we received many more affirmative answers than when we were talking to their husbands themselves.

5.109 If we regard the husbands themselves as the greater authorities on the matter, we can get some idea of the situation. Almost half of the husbands interviewed said they had thought of taking further training to get better jobs. But of these, only one-quarter expected they would do so. That is, only one in eight expected he would actually take the training he required for a better job. Another ten percent were uncertain. The major reasons given by those who did not expect they would take further training were age, lack of preparation, and lack of time to take the training.

5.110 This is not to say that low income people do not appreciate, in a general sense, the value of a good education. We asked our respondents how much education they would like their children to get. Table 5-24 shows their responses.

5.111 While there are variations in the table, there is no significant tendency for respondents of lower income adequacy to express lower aspirations.** Nor is there any lack of appreciation of higher education. Only a handful expressed a desire for less than a complete high school education for their children, and the majority would like them to have university training.

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* $r_s = -.34$, $P < .000005$
**G is only .149.

TABLE 5-24

Responses to the Question, "How Much Education Would You Like Your Children to Get", by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Less Than Complete High School	3	0	4	3	3
Complete High School	18	21	42	8	9
Non-University Post-Secondary Training	5	3	0	8	9
University Training	60	58	38	72	59
Up to Them	13	17	13	10	21
Total	99	99	99	101	101

5.112 The important question, of course, is whether this sort of general desire for higher education will be translated into specific efforts to get the children to go as far as possible with their education. It might be suggested that a better test of the real values of a parent is how far he would go himself if he were at school today. Table 5-25 shows our respondents' replies on this question.

5.113 It will at once be apparent that the proportion who say they would go to university themselves is far below the proportion who say this is the amount of education they would like their children to have. The percentage choosing "university training" drops from sixty to forty-one. If we allow for the numbers who say that their childrens' education is "up to them", the difference becomes even sharper. Further, a tendency appears for those in the poorer

categories to say they would want less education.* Among those above the poverty line, forty-six percent say they would go to college against thirty-eight percent below the poverty line. This suggests that the value placed on education, when you come down to specifics, is not as high among the poorer families. It might also mean, however, that there would be support from poor parents for programs that will help their children to go farther than they did themselves.

TABLE 5-25

Responses to the Question, "If You Were in School Today, How Far Would You Like to Continue", by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Less Than Complete High School	15	12	10	3	8
Complete High School	39	38	48	46	29
Non-University Post-Secondary Education	9	21	0	8	8
University Training	36	29	41	44	56
Total	99	100	99	101	101

5.114 Another way to examine this is to ask how far the respondents expect their children will go in school. Table 5-26 shows the responses to this question.

*G = .176, P < .025

TABLE 5-26

Responses to the Question, "How Much Education Do You Expect Your Children Will Get?", by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Less than Complete High School	14	13	8	3	3
Complete High School	54	42	42	30	24
Non-University Post-Secondary Training	3	0	0	3	9
University Training	17	21	29	47	42
Doesn't Know, Up to Them	11	25	21	17	21
Total	99	101	100	100	99

5.115 If we correct for the numbers who say that how far the children go is "up to them", the total number who answer "university" is about the same as it was for the preceding question. But this reply is more strongly concentrated in the upper income adequacy groups.*

5.116 If the parents' expectations are correct, then the educational differences that prevail among these groups today will be passed on to the children. If we refer back to Table 5-23, we can see that the median education for the three lower income adequacy groups is "complete elementary", while the median category for the two upper groups is "partial high school". In Table 5-26 we see the same type of difference, except that the general level is higher. The median education expected for children in the bottom

*For respondents not choosing, "don't know" or "up to them", $G = .45$. $P < .00005$.

three groups is "complete high school", and the median for the two upper groups is "university training". The relative educational standing of the groups will not have changed.

5.117 This raises the question of whether the parents' expectations are realistic. We cannot determine this from our data. But we do have data that suggests that the differences between the income adequacy groups are quite real. We asked the parents whether their children had any problems at school. Table 5-27 shows their responses.

TABLE 5-27

Problems of Children at School, by Income Adequacy, in Percentages*

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
No Problems	56	73	75	85	86
Academic Problems	28	19	16	5	8
Behaviour Problems	11	8	8	8	0
Other	5	0	2	2	5
Total	100	100	101	100	99

*Percentages are based on the total number of children among the families in each category.

5.118 The percentage of children with no reported problems rises constantly across the table from fifty-six percent in the very poor category to eighty-six percent in the moderate income category. Above the poverty line, the average is eighty-three, while below the poverty line, it is sixty-four.*

*$P < .0005$

5.119 The largest group of problems appears to be academic. Above the poverty line, seven percent of the children are reported to have academic problems. Below it, the proportion triples, rising to twenty-one percent.* Behaviour problems are also more common among children from families in poverty, although the difference is not statistically significant.

5.120 If the parents report the number of children who are having difficulties at all accurately, it is difficult to escape the conclusion that the differences in their expectations for their children are realistic. If anything, they seem likely to understate the difference in educational levels that the children will finally reach.

5.121 How can the connection between poverty and low educational achievement be broken? Many different types of program have been attempted, with varying degrees of success. We will not attempt to analyze their strengths and limitations here. On the basis of our data, we can simply point out that if the connection is not broken, the children of the current generation of the poor are liable to make up a major portion of the poor in the next generation. If the cycle is not to continue, vigorous and imaginative steps will have to be taken.

6) FAMILY PROBLEMS

5.122 As well as difficulties in school, the members of low income families are more likely than others to face other kinds of problems. It is commonly said that poorer families suffer more from illness than others, are more likely to be in contact with the police, and are more likely to be found among the clientele of social agencies. In each case, our data support the general belief.

5.123 Let us begin with sickness. Table 5-28 shows the number of family members who had been sick in bed for more than a week during the past year.

5.124 It will be seen that the percentage of families in which two or more members were sick in bed for a week or more declines regularly across the table, from twenty-five percent in the very poor category to zero in the moderate income category. In other respects, the trend is not so clear. Only the very poor category stands out from the others as being less likely to have no one sick during the past year.

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*$P < .001$

TABLE 5-28

Number of Family Members Sick in Bed for More than One Week During the Past Year, by Income Adequacy, in Percentages

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
None	47	68	68	64	65
One	28	18	19	24	35
Two or more	25	13	13	11	0
Total	100	99	100	99	100

5.125 Since the trend is not a very strong one*, one might wonder whether it might not be accounted for simply in terms of the numbers in each family.** It is only at the two extremes of the income adequacy scale, where there are noticeable differences in family size, that we find differences in the sickness figures.

5.126 There is something to this argument, although, on the basis of other studies, it does not seem likely that it tells the whole story. But in terms of family functioning, it does not really matter whether the increase in frequency of illness results from the larger numbers in the families or not. If a family member is sick, he must be cared for. This will place additional burdens on the family regardless of why it occurs.

5.127 The same applies to police contacts. We have nothing in our data to suggest why it is so, but the proportion of families in which one or more members have been in contact with the police during the preceding year increases as income adequacy declines. Table 5-29 shows this relationship.

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* $r_s = .14$, $P < .05$

**Another suggestion might be that poor families have more illness simply because the reason they are poor is that the breadwinner is not in good health. This does not appear to be born out by the data.

TABLE 5-29

Percentage of Families in Which One or More Members Had Police Contacts During the Preceding Year, by Income Adequacy

	Very Poor	Poor	Borderline	Near Poor	Moderate Income
Percentage of families with police contacts	19	12	4	3	0

5.128 It must be remembered that even in the very poor category, the number of families with police contacts is a small minority. It should also be noted that the offenses involved need not have been serious ones. Charges were not necessarily laid. But, nevertheless, the trend is a quite clear one.* In the moderate income category, the percentage had dropped to zero.

5.129 As a result of the greater incidence of illness and police contacts, we would expect poor families to have more association with the helping agencies. Then, too, because of their precarious circumstances, we would expect them to be more likely to seek material assistance from the missions. At least one agency, the Big Brother Association, is set up to deal with a client group which is very often, if by no means always, in poverty. For all these reasons, we would expect the poor to have above average contacts with social agencies.

5.130 This expectation is confirmed. Table 5-30 shows the proportion of families in each income adequacy category who were in contact with one or more of the following agencies:

The Family Service Agency
Catholic Social Services
Visiting Homemakers Association
Salvation Army
Harbour Rescue Mission
St. Vincent de Paul Society
Children's Aid Society
Catholic Children's Aid Society
Big Brother Association

*$r_s = .26$, $P < .0005$

TABLE 5-30

Percentages of Families in Contact with a Social Agency During the Year Preceding the Interview, by Income Adequacy

	Very Poor	Poor	Border-line	Near Poor	Moderate Income
Percentage with agency contact(s)	33	13	13	10	5

5.131 It will be seen that there is a regular decline across the table.* The very poor category stands out from the others. A full third of the families within it had been in contact with agencies in the year before the interview. In the three middle categories, the proportion drops to one-eighth or one-tenth. In the moderate income category, it falls to one-twentieth.

5.132 The relationship is as strong as it is partially because of the missions, and the Big Brother Association, whose clients inevitably will largely be in poverty. If we remove them from consideration, the overall proportion of families who had agency contacts during the previous year falls from fifteen percent to eleven percent.** Almost all of the losses occur in the very poor category, where the proportion who had been in contact with an agency drops from thirty-three percent to twenty percent. In spite of this, however, families with agency contacts are still significantly poorer than others.*** In other words, when we consider only the agencies whose functions cut across income lines, the poor are still over-represented.

5.133 In view of the concentration of agency clients in our sample in the lower income adequacy groups, it seems appropriate to discuss some of their particular characteristics. We will include all of the families who had agency contacts during the preceding

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* The Mann-Whitney U test for comparison of families with agency contacts and families without them yields $P < .00005$.

** The overall figures may have been biased upwards to some extent by our sampling procedure. It will be seen shortly that families with agency contacts are more likely than others to have housing problems. If housing assessed at between $2,500 and $3,500 is somewhat better than housing assessed at up to $2,500, then the proportion with agency contacts will have been overstated if a) poor housing is a cause of agency contacts, or, if (b) families with agency contacts are found above and below the $2,500 assessment level in proportion to the amount of defective housing.

***The Mann-Whitney U test yields $P < .025$.

year, independent of income adequacy and the type of agency with which they were in contact. While there do seem to be some differences in terms of the agency(s) with which there was contact, and in terms of income adequacy, the numbers are too small to permit us to analyze these differences statistically.

5.134 Almost half of the families in our sample with agency contacts are in the very poor category, and just under three-quarters are below the poverty line. Thus, we would expect to find many of the general characteristics of the poor reflected in this group. But, in many cases, families with agency contacts displayed the characteristics of the poor in a magnified form. For example, in Chapter 3 we indicated that about one-quarter of the poor, at any given time, would be receiving public assistance. Among families with agency contacts, exactly one-half were receiving it at the time of the survey.* Similarly, while forty-six percent of the family heads among the poor have less than a complete elementary education, in this group the figure rises to sixty-seven percent.**

5.135 Then, too, as we mentioned in Chapter 4, families with agency contacts are more likely to have housing problems. While their rent and mortgage payments are at the same level as those of other families, their homes are quite likely to be smaller.*** Over half have only three rooms, as against just over a third among families in poverty who did not have agency contacts. Then, again, their homes were more likely to display the defects we checked for.**** Over sixty percent had at least one of these, against thirty-two percent for families in poverty without agency contacts.

5.136 Their low educational standards and poor housing conditions may well be one cause and one effect of another important distinction between them and the poor. Among all of the families in poverty, the head had been unemployed at least once in the last five years in fifty-four percent of the cases. Among families with agency contacts, the figure was ninety-one percent.*****

5.137 This combination of characteristics - high unemployment rates, frequent use of public assistance, very poor housing conditions, and the need for assistance from social agencies - seems to indicate that a good number of these are "multi-problem families" - the kind who, because of the complexity or the sheer number of their problems, take up a portion of social agency time far out of line with their numbers.

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* $P < .005$

** $P < .01$

*** For a comparison, using only the families in poverty, among those with no agency contacts, those with one, and those with two or more, $r_s = .24$, $P < .001$.

**** For a comparison, using only the families in poverty, among those with no agency contacts, those with one, and those with two or more, $r_s = .29$, $P < .005$.

***** $P < .001$

5.138 It is important that we distinguish between these families and others in poverty for two reasons. First of all, this will prevent us from overstating the relationship between poverty as such and some other kinds of difficulty. That is, some families are poor because of a generalized incapacity to function effectively, which, among other things, results in unsteady employment in low paying jobs. In this case, the cause of some of the family's other problems may not be poverty, but rather the same generalized ineffectiveness. In other words, we must be careful not to assume that poverty as such is always the cause of the difficulties of the poor.

5.139 The other reason for making this distinction is simply that the multi-problem family is more likely to come to the attention of the public than the more normal family. Accordingly, it is possible for people to develop the idea that poverty and other problems are more closely linked than they are. Thus, for purposes of public education, it is necessary that we be able to point out that the multi-problem family is not typical of the poor.

5.140 In this respect, it is unfortunate that we did not have more families who required agency help in our sample. With the numbers we have, we cannot readily perform more detailed analysis than the kind we have discussed above. It seems clear that this is an area in which more research could profitably be undertaken.

HAVE WE A CULTURE OF POVERTY?

5.141 In recent years, there has been considerable controversy over the existence of a "culture of poverty". Those who support the idea have claimed that the poor differ from others in feeling hopeless, powerless, and alienated from the mainstream of society. They have suggested that the poor are more likely to live from day to day, and to develop a fatalistic outlook on life. Studies have also shown that the poor have fewer and less varied social contacts and fewer memberships in organizations than others do, as well as more of the problems that lead to contacts with social agencies and the courts.

5.142 Those who have rejected the idea have ordinarily done so on one of two grounds, either: a) that the differences between the poor and others are not so sharp as to warrant our speaking of a sub-culture, or b) that the differences result not from different values and beliefs but simply from economic circumstances.

5.143 We do not have data on all of the characteristics that have been claimed to distinguish the poor from others. Nor, in view of our sample size, can we always make good estimates of the differences between the poor and others. But we can make some general comments that will help to illuminate the local situation.

5.144 First of all, we must distinguish between life style and cultural values. The importance of the distinction rests on the fact that different questions can be raised with respect to each of them.

a) Life Style

5.145 In the case of life styles, the questions that must be raised have to do with how broad and how clear differences between the poor and others are. There can be no serious quarrel with the idea that there are differences between the life of the poor and the life of others in our society. Even if nothing else is involved, the simple fact of not having enough money is certain to produce differences. What has to be resolved is how broad a range of activities the differences encompass, and how sharply the poor can be distinguished from others.

b) Cultural Values

5.146 In the case of cultural values, the matter is more complicated. The question of how broad the differences are and how clearly the poor can be distinguished from others still apply. But they apply to a different range of data. Field studies have often concerned themselves with beliefs and values, but, in their nature, these have been limited to relatively small groups. (There is also a question as to the precision of measurement in such studies.) On the other hand, survey studies of the kind we have undertaken have generally touched on beliefs and values in only a limited way. In our own study, only a small fraction of the questions were really focussed on these matters. In this kind of study, we can, to some degree, infer value differences from differences in behaviour. The problem is that it is sometimes unclear just what can be inferred.

5.147 In view of these general comments, we can discuss whether Hamilton has a "culture of poverty".

LIFE STYLE

5.148 It is clear that we have found important differences between the poor and others in terms of life style. They are concentrated in a relatively small area of the city. They have much less stable employment patterns. They come disproportionately from blue collar backgrounds, and have taken relatively little education. Because of their limited finances, they spend less per capita on food, clothing, shelter and recreation. They are less likely to have a car, a telephone, or a radio. Their housing is more likely to show defects. While we could not determine the reasons for it clearly, they were likely to visit less often with friends and relatives. They have had much larger families, and their wives are less likely to work. They are less likely to belong to organizations. Their children are more likely to have problems at school. Family members are more likely to have been in contact with the police. They are more likely to have had contact with social agencies.

5.149 In total, this is a very impressive list of differences. It would be difficult to argue that these differences do not cover a wide enough range to warrant our saying that the poor have a style of life distinctively different from that of others. Nor could it be easily argued that the differences are not clear. Many are significant at the .001 level and beyond.

5.150 It must be cautioned, however, that we must not over-generalize. No sub-group is entirely cut off from the rest of society. In many respects, the poor are indistinguishable from those who are better off. And, in many cases, where a characteristic is more common among the poor than among others, it is still present in only a minority of the poor. We must also avoid assuming that these differences result from value differences. Some would seem quite clearly to result from lack of income. Others may in fact result from value differences, but we have little evidence as to whether this is so or not.

CULTURAL VALUES

5.151 As we mentioned a moment ago, we were not looking primarily for differences in values and beliefs. Nevertheless, a number of significant differences have appeared. Poor people appear to be less certain that others respect them. They also indicate that they are more likely to be bored. Some other possible differences could also be mentioned. The fact that they are more often in contact with the law might be taken as a sign of differences in values. On the other hand, it seems very likely that it is only a relatively small group among the poor who take

deviant attitudes to the law. Another possibility is that the differences in visiting patterns we have observed may result from a lower value placed on social contacts. But from our data, we cannot determine to what extent this explanation is correct. Another possibility is suggested by the fact that many previous studies have shown that the poor have different attitudes towards large families. But there is reason to doubt that different attitudes still prevail. When we asked our respondents how many children they would have if they could start over, there were no differences in terms of income adequacy.

5.152 What does this mean? Clearly, the case for a distinctive sub-culture, in this sense, is not as good as it was for a distinctive life style. We have only two examples of clear differences, and neither of these is significant at more than the .01 level. While we might speculate about differences in values towards law-breaking, visiting, and family size, there is no clear evidence in our data for major value difference between the poor and others in any of these areas. We could also speculate about the possibility that having to watch more carefully over their finances, will induce a particular perspective in poor people. But, again, we have no evidence for this. And, even if we had, it might be replied that this did not necessarily mean that poor people had a fundamentally different value structure from others. It might simply mean that, from among the same set of values, a different group were thrust into prominence by circumstances.

5.153 On balance then, it appears that we cannot say that the differences between the poor and others in values and beliefs are either wide-ranging enough or clear enough to warrant our saying that we have a culture of poverty. On the other hand, since we did not examine this area in great detail in our questionnaire, it may be that there are important differences which we simply have not uncovered. Further research would seem clearly to be in order.

SUMMARY

As we have covered a good deal of ground in this chapter, we would like to conclude with a summary.

1. Female Employment and Family Size

   a) Wives in families below the poverty line were less likely to work than wives in families above the poverty line. This did not apply so much among the working poor. But in families relying on Old Age Pensions, public assistance, or workers' insurance schemes, wives worked only very rarely.

   b) The poorer families had more children than those who were better off, and had more children living with them.

   c) When respondents were asked how many children they would like if they could start over, there were no significant differences in terms of income adequacy.

2. Recreation

   a) The poorer families visited less frequently than those who were better off, both with relatives and with friends. This is probably due to poor people's attitudes to visiting, or to other people's attitudes to visiting with them.

   b) The poorer families attend bingo and sporting events slightly less frequently than those who are better off.

   c) Our poorer respondents listen to the radio slightly more than those who are better off.

   d) There were no significant differences in terms of income adequacy in the time spent reading or watching television.

   e) Our respondents' favourite television programs were diversionary.

   f) Most of the favourite programs on radio were diversionary, but substantial numbers chose news, public affairs, and hot line shows as favourites.

g) For over half of our respondents, the newspaper was the only reading preference with any significant public affairs content.

h) There were no significant differences in terms of income adequacy in the proportions of respondents who had hobbies.

3. Participation in Organizations

a) Our poorer respondents were less likely than others to belong to organizations.

b) There were no differences in church attendance in terms of income adequacy.

c) Three-quarters of our respondents supported the idea of low income people's organizations. There were no significant differences among the income adequacy groups in this respect.

d) There were no significant differences in the percentage who said they voted in national elections among the income adequacy categories, but respondents in Zone 1 were less likely to say they did so.

e) There were no significant differences among the income adequacy categories in the percentages who believed that who was elected would not influence the development of social welfare.

4. Attitudes to Their Situation in Life

a) There were no significant differences in attitudes to the neighbourhood in terms of income adequacy. But respondents in Zones 3 and 4 were more likely to think of their neighbourhood as a good place to live.

b) Our poorer respondents were more likely than those who were better off to be uncertain that people respected them.

c) Our poorer respondents were more likely than those who were better off to be bored.

d) About one-quarter of our respondents, without respect to income adequacy, felt that their talents were not being fully used.

5. Education

a) There is a very strong relationship between income adequacy and education.

b) One-eighth of the husbands we interviewed were currently up-grading their education. Another one-eighth said they thought they would take training to get a better job. Another ten percent were uncertain.

c) Our respondents showed no significant differences in terms of income adequacy when asked how far they would like their children to go in school. About sixty percent said they would like their children to have university training.

d) When asked how far they would go if they were in school today, our poorer respondents tended to give lower answers than those who were better off.

e) When asked how far they expected their children to go in school, the poorer respondents gave lower answers than those who were better off.

f) By their parents' reports, children from the poorer families were more likely to have problems in school.

6. Family Problems

a) There was a significant negative relationship between income adequacy and the number of family members who had been sick in bed for more than a week during the past year.

b) Families toward the lower end of the income adequacy scale were more likely than those who are better off to have had police contacts during the previous year.

c) The poorer families were more likely than others to have made use of a social agency during the preceding year.

d) Families who had contacts with social agencies had very high rates of unemployment and very poor housing conditions. They were also unusually likely to have made use of public assistance.

7. Have We a Culture of Poverty?

a) The poor in Hamilton have a distinctive life style.

b) If, by a culture, we mean a distinctive pattern of beliefs and values, then we do not have evidence to support the presence of a culture of poverty. Only further research can determine the matter.

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CHAPTER 6

SOME ILLUSTRATIVE CASES

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6.1 In the preceding chapters, we have presented some of the general characteristics of the poor in our city. We have, for different purposes, broken our sample into groups in terms of income adequacy, sources of income, places of birth, and areas of the city. In this way, we have hoped to strike a good balance between the need to have a general picture of the poor and the danger of over-simplifying it.

6.2 Having reviewed the findings of our study in these general terms, we would now like to descend to a more specific level, to indicate how the general characteristics we have discussed take form in concrete cases. We hope that this will enable us to integrate material from the earlier chapters, which may not have formed a cohesive pattern in the reader's mind. We also hope that in this concrete form our findings may be more memorable.

6.3 Rather than to present actual cases, we have decided to prepare composites which sum up the most important characteristics of each group of respondents. Ordinarily, the characteristics of the family depicted will lie at the medians for the group it represents, or when the medians are inappropriate, at the modes. Where the data were gathered in categories, we have arbitrarily selected specific characteristics from within them. Readers who would like more detail as to how the composite cases were drawn up may consult Appendix D. The names employed, of course, are fictitious.

6.4 The cases we will describe have been drawn up in terms of the major analytic concepts of the study. Throughout this report, we have divided our respondents into five income adequacy groups, each of which will be represented here. Similarly, we have often classified our respondents in terms of income sources, each of which will be represented. On occasion, we have referred to differences among respondents of different birthplace. The most common categories will be represented. We will also present one case to exemplify a fairly common situation that would not be covered this way - that of the family with additional problems.

6.5 Let us begin with cases drawn up to represent the five income adequacy categories. The reader will note in these cases a progression to better economic circumstances, higher educational expectations for the children, and a more active social life.

1. A FAMILY IN THE VERY POOR CATEGORY

6.6 The John Smiths are typical of families in the very poor category, which includes around six percent of the families in our city. The reader will recall that all families in this category are at least $1,000 below the poverty line. Some large families are more than $4,000 below, and receive no more than forty percent of the income required to bring them to the poverty line. The John Smiths are somewhere in between. They are about $2,000 below the poverty line for a family of their size, and receive just under two-thirds of the income required to bring them to the poverty line.

6.7 John and Betty Smith are a couple in their early forties. They live in a rented home not far from Wellington and Barton Streets. They were married nineteen years ago when John was twenty-four and Betty was twenty-two. A year later, they had their first son, Bill. They have had three more children - Debbie, now twelve; John, Jr., now eight; and Kathy, five. The three youngest are living at home, but the oldest, Bill, finished high school last spring, took a job, and moved into an apartment with a friend.

6.8 John has worked for the last four years as a mechanic in a small garage, except for a three month period two winters ago when he was laid off. During that time, the family went on welfare. Since Bill was still home, there were six mouths to feed, so Unemployment Insurance would not meet their day-to-day expenses. Even if they could have found a way to pay back a loan to cover their additional costs, there was little chance of their getting one; besides, they did not know how long the lay-off was going to last. So they went on welfare.

6.9 The family was actually better off. At the time, John was earning $280 a month. The welfare cheque came to $30 more, and there were no deductions. Besides, the family's medical care expenses were covered on top of that. Today, with Bill living away from home, and John's pay up to $300 a month, the family is a little better off, but they would still be better off on welfare.

6.10 Compared to most other families in our society, they are having a very difficult time. John's salary works out to $3,600 a year. Of that, he pays about $150 for income tax, the Canada Pension Plan, and Unemployment Insurance, and another $120 for hospitalization and medical insurance. This leaves $3,330 in take-home pay.

6.11 Over ninety percent of this is required for food, clothing and shelter. The rent is $85 a month, utilities average $15 a

month, and heat over the winter comes to around $100.* Thus, the cost of shelter comes to $1,300 a year. Betty manages to keep the food costs down to $115 a month, but, even so, they add up to $1,380 over the year. Clothing costs work out to about $380. The costs of these three essentials come to $3,060, or ninety-two percent of John's take-home pay.

6.12 Altogether, the family has less than $300 a year that is not committed to essentials, and this goes quickly. The children need school supplies. The phone bill has to be paid. Appliances break down and have to be repaired. John can walk to work, but there are still expenses for public transportation from time to time. Mrs. Smith hasn't been to the dentist in almost three years because of the expense, but she knows she will have to get dentures sometime soon.

6.13 When all of these expenses, and the others that keep cropping up are accounted for, the Smiths have very little left. They have only a few dollars in the bank, and no life insurance, or insurance on their property. John has no sickness insurance either. A few months ago, when young John was sick in bed for a week and a half, John was afraid he would get the same thing and be off work. Somehow the Smiths manage to find $10 a month to spend on recreation.

6.14 Their very tight budget means that the Smiths' are pre-occupied with basic needs. If they had more money, their first priorities would be better accommodation, clothing and food.

6.15 It is hard to evaluate how well these basic needs are being met. But Mrs. Smith buys most of the family's clothes at a high volume, low cost store where quality may not always be high. She sometimes gets clothing from the second-hand shops. The house they live in was built early in the century. There is noticeable wear on the floors in the heavily trafficked spots and there are weak spots in the plaster. For the price they are paying, they are satisfied. But they would like to move to a better place if they could afford it - a place on the mountain or, perhaps, the east end of the city.

6.16 John left school when he was fifteen, having completed an elementary education. He knows that you need more education today, and he wants his children to go farther than he did. He expects most of them to finish high school. Bill, the oldest

*The cost of heating varied quite widely within our sample. The median figure was brought down by the large number living in duplexes or houses converted to multiple occupancy, which, if well insulated, can be heated relatively inexpensively. It should be noted, however, that some families in our sample had heating costs of as much as $450 over the winter.

boy, finished high school last spring and got a job. He had had some behaviour problems in elementary school, but settled down as he got older. Young John has been having some trouble with his school work, and his parents are not sure how far he will go. Debbie is in grade six and has had no difficulty. Kathy is only in kindergarten but seems to be doing as well as most of the others.

6.17 The family's recreation is simple, and inexpensive. The television is on for three hours most evenings, and more when there is a late movie. The radio is on for three or four hours most days as well. The family sometimes goes to a program put on at the school the children attend. John and his wife will take the children for an outing to a playground every few weeks in season. They will visit with friends about once a month or six weeks, and with relatives about as often. Neither John nor Betty belong to any groups, although they do attend church about once a month. All things considered, in terms of time spent, by far the greater portion of the family's recreation is taken at home with the television or radio.

2. A FAMILY IN THE POOR CATEGORY

6.18 The Michael Collins' are typical of families in the poor category, who make up about five percent of the families in the city. The families in this category average $600 or $700 below the poverty line. In percentages, they range from about five percent below it to almost twenty-five percent below it. The Collins' are in the middle of the category, about $700 or fifteen percent below the poverty line.

6.19 Michael and Kathy Collins are a couple in their late forties who live in a rented home near Cannon and Victoria. They married nineteen years ago when Michael was thirty and Kathy was twenty-eight. A year later, they had their first daughter, Norma. They have had two other children - Tom, now fourteen, and Mary, twelve.

6.20 When Norma graduated from high school last spring, she took a job as a salesgirl and got an apartment with two friends. Tom is in grade nine and Mary is in grade seven, so they will be home for a few more years. Michael and Kathy would like them to go on for some kind of post-secondary training, but they expect they will probably go only to the end of high school. Tom has had some trouble with some of his courses, but Mary is doing well in all of them.

6.21 Michael has thought a bit of going back to school to get further training but he hasn't taken it very seriously. He

left school after finishing grade eight and went to work. For the past three years, he has been working as a machinist in a non-unionized firm where he makes $340 a month. He took the job when he had been laid off from another for two and a half months. Since then, he has never been unemployed.

6.22 Michael's $340 a month works out to $4,080 a year. Of this, he pays $230 for income tax, the Canada Pension Plan, and Unemployment Insurance, and a further $120 for hospitalization and medical care. There is $3,730 left in take-home pay.

6.23 Food and shelter are the major expenses. Food costs average out to about $100 a month or $1,200 a year. The rent is $90 a month, utilities come to around $15 a month, and heating costs about $140 for the winter. The total cost for shelter then is $1,400 over the year. Clothing is another big expense, at about $360 a year. Altogether, the costs of food, shelter and clothing come to $2,960, or seventy-nine percent of Michael's take-home pay.

6.24 The Collins' are better off than the Smiths, though. They have $770 left over after essentials, almost two and a half times as much as the Smiths, and they have one less person to spend it on. So Michael is able to drive an old car to work, and they are able to find about $25 a month for recreation. But still, there is pressure on their finances. As it is, they have to buy a lot of their clothing from high volume, low cost stores. Some of it isn't of the best quality. Their other main priorities if they had more money would be a better house and more savings. Savings are important to them because Michael has no life insurance, and except for the car, nothing they own is insured.

6.25 The Collins' have a somewhat more active social life than the Smiths. They go out to visit friends at least once every two weeks, and to visit relatives every three or four weeks. Otherwise, their leisure time is spent about the same way. They take the children to the park every two weeks or so, and they occasionally go to an evening at the school or to a movie. They go to church about once a month. The children have friends in to play every other day. The television is on most evenings for three to four hours, and the radio is on for three to four hours a day while Mrs. Collins does the housework.

3. A FAMILY IN THE BORDERLINE CATEGORY

6.26 The David McDonalds are typical of families in the borderline category. Families in this category, just below the poverty

line (by no more than $300), make up about three percent of the families in the city. We do not have as firm an estimate of the proportion of families in the city who are in this category, above the poverty line, but the figure should lie in the neighbourhood of four percent.

6.27 The McDonalds are a couple in their early forties. They live in a rented home just north of Cannon, between John and Wellington. They married twenty years ago when David was twenty-three and Mary was twenty-one. They have had three children - Don, eighteen; George, fifteen; and Judy, twelve. Don finished grade twelve last spring, found a job with one of the steel companies, and moved out to live with friends. George is in high school and Judy is in elementary school. Their parents expect them both to finish high school although George has one weak subject.

6.28 David works as a bricklayer. While his earnings are high when he is working, his yearly income comes out to around $4,850, just $50 over the poverty line for a family of four, because the work is seasonal. Of this he pays around $330 for income tax, the Canada Pension Plan and Unemployment Insurance, along with $120 for hospitalization and medical care. This brings his take-home pay to $4,400. Of this the largest proportions are taken by food and shelter. Food costs run around $130 a month or $1,560 for the year. The rent is $85 a month. Add in $15 a month for utilities and $100 for winter heating and the annual cost comes to $1,300. Clothing is another major expense at $420 a year. If we add the cost of food, clothing and shelter, it comes to $3,280 - seventy-five percent of David's take-home pay, or almost exactly seventy percent of his income after taxes.

6.29 Although essentials take up a good portion of the McDonald's income, they still have $1,150 a year to use for other purposes. David drives to work. They spend about $25 a month on recreation. They have managed to put away a few hundred dollars in savings. If they had more money, they would like to use part of it to buy their own home. Their second priority would be more savings.

6.30 The McDonalds go out to visit friends about once in two weeks and relatives a little less often. They occasionally go out to a movie, a bar, or an event at the school their children attend. Every week or two they take the children to a park or a playground. They go to church about once a month. They spend most evenings at home and the television is usually on three to four hours a night. Mrs. McDonald listens to the radio for three to three and a half hours a day while she does her housework.

4. A FAMILY IN THE NEAR POOR CATEGORY

6.31 George and Donna Brown are typical of families in the near poor category. We have no firm estimate of the proportion of the city's population that would fall into this category, but it is somewhere in the neighbourhood of eight percent. Families in this category averaged about $1,000 above the poverty line. In percentages, they ranged from around fifteen to around thirty-four percent above the poverty line. The Browns are in the middle of the category, $1,200 or twenty-five percent above the poverty line.

6.32 The Browns are a couple in their middle thirties. They married eleven years ago when George was twenty-five and Donna was twenty-two. They have two children - Linda, age eight; and Bob, age five.

6.33 George is a carpenter. Although the work is seasonal, he manages to earn around $6,000 a year. He pays around $550 in income tax, the Canada Pension Plan and Unemployment Insurance, and another $120 for hospitalization and medical care. This leaves $5,330 in take-home pay.

6.34 The Brown's biggest expenses are for food. They spend about $130 a month, or $1,560 a year on food. Housing comes next. They are buying a home north of Cannon Street between Sherman and Ottawa. The mortgage payments are $90 a month. Utilities cost about $15 a month, and the fuel bill for the winter is about $120. Altogether then, shelter costs around $1,360 a year. Clothing comes to around $400. The total cost of food, clothing and shelter is $3,320, or about sixty-two percent of George's take-home pay.

6.35 After paying for essentials, the Browns have $2,000 a year to spend. Part of it goes for payments on a car which is two years old. Everyone in the family has been to a dentist within the last eighteen months. (This is not often enough, of course, but it is better than the situation among the Smiths, Collins' and McDonalds.) The Browns have built up about $700 in savings and George has some life insurance. If they had more money, they say it would go mainly into furnishings and other improvements in the home they are buying, and into savings.

6.36 The Browns lead an active social life. They go out to visit friends almost every week and relatives just as often. Apart from this, their recreation is not very different from that of the families we have already talked about. They take their children to a playground every week. Every once in awhile, they go to a movie or a sporting event. Evenings, when they are home, they usually watch television for three hours a

night. When it is not on, the radio often is. Donna listens to the radio for two or three hours a day as she does her housework.

6.37 Although the Browns are doing better than the first three families which we have talked about, they have high hopes that their children will do better. Both George and Donna left school before they had finished grade twelve. They expect that both of their children will go to university. Bob isn't in school yet, but Linda has been doing well in her first three grades.

5. A FAMILY IN THE MODERATE INCOME CATEGORY

6.38 The Harry Jones family is typical of families in our sample who are in the moderate income category. As the families in this category cover quite a wide income range but are concentrated in small parts of the range, it is difficult to estimate the proportion of the whole population to whom this example applies. But all of the families in it were at least thirty-five percent above the poverty line. The Browns are slightly less than $2,000, or forty percent, above the poverty line.

6.39 Harry and Margaret Jones live with their family in a five room house north of Main Street between Sherman and Ottawa. They were married thirteen years ago when Harry was thirty and Margaret was twenty-four. They have two children - Larry, age ten; and Jean, age seven.

6.40 Harry is a skilled tradesman in a unionized plant and makes $560 a month. After taxes, pension payments, group insurance, Unemployment Insurance and union dues are taken off, his pay comes to $490 a month or $5,880 a year.

6.41 The biggest expenses for the Jones', as for the other families, are food and shelter. Food costs them $150 a month or $1,800 over the year. Their mortgage is $85 a month. Add $15 a month for utilities and $120 for fuel in the winter, and their annual expenses for shelter come to $1,320. Clothing costs $560 a year. Thus, the total cost of food, shelter and clothing for the Jones family comes to $3,680, or sixty-three percent of Harry's take-home pay.

6.42 This is one percentage point higher than the cost of food, shelter and clothing for the Brown family. But it must be remembered that Harry's take-home pay has been reduced by the cost of his group life insurance program and the company pension plan. Then, too, the Jones' spend $400 more each year to get

better food and clothing. On top of this, the Jones' have $2,200 a year left to spend - $200 more than the Browns. So they are clearly better off. If they had more money, they would put it into improving their home, into vacation costs, and into additional savings.

6.43 The Jones' social life is more active than that of any of the families we have described before. They go out to visit with relatives at least once a week, and with friends equally often. Otherwise they do about the same kinds of things that the others do. They take the children to the park about once a week. The children have friends in to play every other day. When the family is home in the evening and there are no guests, the television is likely to be on for three or four hours. Mrs. Jones doesn't like to listen to the radio as much as the other wives we have talked about, but she has it on for an hour or two each day as she goes about the housework.

6.44 Both parents attended high school but neither completed it. They want their children to do better, though, and they expect them both to go to university. So far, both of them are doing well in school.

6.45 The reader will have noted that in each of our samples, the family's only source of income was the husband's earnings. This is the commonest income source at all levels of income adequacy. But, below the poverty line, there are others which are quite common. We would like to present examples of families who rely on General Welfare Assistance, Family Benefits, and the Old Age Pension.

6. A FAMILY RECEIVING GENERAL WELFARE ASSISTANCE

6.46 The Tom Hunter family is typical of those receiving General Welfare Assistance, who make up about one and a half percent of the families in the city. These families are all well below the poverty line, although the gap increases with family size. (Table 7-4, page 7-22, compares Ontario public assistance rates with our poverty lines.)

6.47 Tom and Jean Hunter are a couple in their late thirties. They were married thirteen years ago when Tom was twenty-six and Jean was twenty-three. They have three children, all of elementary school age. They live in an apartment in a house converted to multiple occupancy, near Cannon and Wellington Streets.

6.48 Tom left school when he was sixteen without having completed elementary school. He has changed jobs every three or four years, but he has never had a job requiring any great skill. His last job before he went on welfare was driving a delivery truck. Although he has been unemployed several times, he has only been on welfare once before, in 1961.

6.49 The Hunters receive an allowance of $85 a month for the rent* of their apartment and $12 more for utilities. They also receive $156 for other expenses. Of this, about $100 goes for food, $20 for clothing, and $15 for recreation. The other $20 is spent generally on whatever seems to be necessary.

6.50 The Hunters feel that they would need another $60 a month to meet their needs. If they had more money, their first priority would be better clothing, then better food and lodging. We did not ask them about what they were eating, but we do know that since they went on welfare, they have avoided buying new clothing unless it was absolutely necessary, and they have bought as inexpensively as possible. The place where they live shows deep wear in the places where people walk regularly, and on the staircase leading up to their apartment there are several missing rails.

6.51 Their main sources of entertainment are television and the radio. The television is usually on for about five hours a day. The radio is on for five or six hours as well. These are the cheapest forms of entertainment they can get. They do manage to get out of the house every few days. They visit with relatives about every two weeks and with friends about every two or three weeks. They take the children to a park or playground at least once a week. Every two or three months, they get out to a movie, a bingo or for an evening in a tavern. Altogether though, the radio and television are by far the major sources of their leisure activity.

6.52 Although neither Tom nor Jean went to high school, they realize that their children need more education than they have themselves. They expect the children will finish high school. Their oldest and their youngest are doing well, but their middle child, who is in grade five, has been having some academic difficulties.

*They could have gotten up to $100, but this is what they were spending. This rate, like others for public assistance, has been adjusted upward by approximately twelve percent since the time of the survey.

7. A FAMILY RECEIVING FAMILY BENEFITS

6.53 Mrs. Claire Léger and her family are typical of single parent families receiving Family Benefits. These families make up about two and a half percent of the families in our city. Their incomes are determined by the same scale applied in General Welfare Assistance cases. All are well below our poverty lines.

6.54 Mrs. Léger is thirty-four years old. She lives with her three children in one half of a duplex, south of Main Street between John Street and Wellington. She was married sixteen years ago when she was eighteen. Her husband left her nine years later, a year after their last child was born.

6.55 Mrs. Léger receives $85 a month for rent, $11 for utilities, and $25 a month for heat in the winter.* This is almost exactly what she has to pay. If the rent were higher, though, she would have to pay the increase out of her general allowance because the rent is at the maximum allowed for an unheated dwelling.

6.56 Her general allowance comes to $133 a month. Of this, she spends about $85 for food, $20 for clothing, $10 for recreation, and the rest on whatever seems to be necessary.

6.57 Mrs. Léger believes that in order to meet her family's needs properly, she would need another $80 a month. If she had more money, her priorities would be better clothing, better housing, and better food. Mrs. Léger knits some of the children's clothing, but she has to buy most of it. She shops mostly at low cost, high volume stores and sometimes at second hand shops. Her home is generally in good condition but there are signs of wear on some of the heavily trafficked spots.

6.58 Mrs. Léger does not have a very active social life. Most of her relatives are in Quebec, so she only sees relatives once every few months. She goes out to visit with friends every week or two. She attends Mass three or four times a month. She takes the children to a park or playground every few days. As she is alone at home most of the day, she plays the radio a lot. It is on for five or six hours most days. She and the children watch television for an hour and a half or two hours most evenings.

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*Since the time of the survey, payments under the Family Benefits Act have been increased by about twelve percent.

6.59 Mrs. Léger left school at the end of elementary school. She knows you need more education than that to compete for jobs today, and she expects her children will complete grade twelve. One of her children is having trouble with mathematics, but otherwise all three are doing well.

8. A FAMILY RELYING ON THE OLD AGE PENSION

6.60 As we mentioned in Chapter 3, immigrant families are relatively common among old age pensioners, as well as the working poor. Here we would like to present the case of a British immigrant family. We will not present a separate case of a native-born Canadian family, because the differences do not appear to be important.

6.61 Bill and Edith Sharp are typical of families below the poverty line who are receiving the Old Age Pension. These families make up about three per cent of the families in the city. Provided they take advantage of the Guaranteed Income Supplement, none will be more than $600 below the poverty line.

6.62 Bill and Edith Sharp are a couple in their seventies. They live together in a home south of Main Street between James and Queen. When they moved to Canada from England after the Second World War, they moved into the home they are in today, and over the years before Bill retired, they managed to pay off the mortgage.

6.63 Bill has a small pension from work. He expected it would be worth more than it is, but inflation has cut into its value. Together with their old age pensions, it gives them an income of $2,700 a year. Because of the age exemption and their medical expenses, they do not have to pay income tax.

6.64 Since they own their own home and it is generally in good repair, their major expense is for food. They spend about $90 a month for food, or $1,080 over the year - exactly forty percent of their income. While they do not have a mortgage to pay off, there are still some important housing expenses. They pay just under $200 a year in property taxes. Heat over the winter comes to about $100. Utilities run to $15 a month. Maintenance over the past few years has averaged out to around $200. Their annual costs for shelter come to around $680, about twenty-five percent of their income. They spend about $160 a year on clothing. Altogether, the three basic needs of food, clothing, and shelter take up $1,920, or seventy-four percent of their income.

6.65 What remains comes to $780. Of this, $310 goes for hospitalization and medical care. This leaves just under $40 a month to spend on other things. The Sharps believe that another $25 a month would make them reasonably comfortable. If they had a bit more money, it would probably go into some nicer things for the house and better food.

6.66 The Sharps don't visit much with relatives because most of them are either dead or still in England. They go out to visit with friends every three or four weeks. They go to church about once a month. Apart from visiting and going to church, almost all their leisure time is taken at home. They watch television two or three hours a day. They listen to the radio for three or four hours a day. They spend about an hour a day reading. They have a much keener interest in political affairs than the other families we have talked about, and try to keep up with the latest events regularly.

6.67 We have provided illustrations of the major categories of the poor, in terms of income adequacy and source of income. Two of the families we described were identified as having come from outside Ontario. But the largest number of families among those whose heads were born outside of Ontario are found among the working poor. We would like to present examples of two families in this situation - one where the parents were born in Europe, and another where the parents were born in eastern Canada.

9. AN IMMIGRANT FAMILY

6.68 The Giovanni Biancos are typical of immigrant families among the working poor. Immigrant families in poverty, headed by a husband in the labour force, make up a bit more than three percent of the families in the city, or just under a quarter of the families in poverty. They vary widely in income adequacy, of course. The Biancos are near the average, around $1,200 or twenty percent, below the poverty line.

6.69 Giovanni and Anna Bianco are a couple in their thirties. They were married fifteen years ago. They have three children - Pietro, thirteen; Maria, eleven; and Gina, seven. They came to Canada nine years ago, just before Maria was two years old.

6.70 The first while was very difficult. Neither the parents nor the children spoke English, but Giovanni began taking English courses shortly after he arrived, and two months later got a job as a labourer with a construction firm. He did not

need to know very much English because the foreman spoke Italian and so did some of his fellow workers. He was pleased to get a job in a construction field. He had trained as a bricklayer at home, and until he could learn more English, he could not pass the examination to qualify as a bricklayer here.

6.71 For a complicated series of reasons, he is still working as a labourer today. He makes $4,400 a year. After deductions for taxes, Canada Pension Plan, Unemployment Insurance, hospitalization and medical care, his take-home pay comes to $3,960.

6.72 For their first four years here, the Biancos rented a suite in a home that had been converted to multiple occupancy and saved as much as they could for the time when they could begin to buy an inexpensive home of their own. Five years ago, they took up the mortgage on the place where they are now living. The payments come to $85 a month. It is expensive but no more so than renting many places that are no better, and often worse. And they are proud that they will someday own their own home. The other major housing expenses include $15 a month for utilities and $125 over the winter for heat. This brings their annual housing costs to $1,325, just over a third of Giovanni's take-home pay.

6.73 Their other major expense is food. At $135 a month, this eats up $1,620 over the year. Clothing comes to $360 a year. Altogether, the three basic needs take up $3,325 or eighty-four percent of Giovanni's take-home pay.

6.74 What is left from this comes to $635 a year. Since Giovanni doesn't drive a car, the family has a bit more leeway than the Collins family, whose financial situation is otherwise quite similar. The Biancos save a bit more. They have around $400 in the bank. But, otherwise, their expenses are about the same as those for other families at the same level of income adequacy.

6.75 Their leisure habits differ considerably, though. They have a more active social life. They go out to visit relatives almost every week and to visit friends every week. They tend to rely less on radio and television as well, partly because of language problems. The television is rarely on more than two hours a night. Mrs. Bianco doesn't listen to the radio very much as she does her housework because she has trouble following the English programs. The Biancos are also more regular churchgoers. They attend Mass almost every week.

6.71 Both Giovanni and Anna completed elementary school in Italy. This was as far as anyone went in the village they came from, so the question of going farther never occurred. They know that you need more education in Canada and they would like their children to get at least to the end of high school. They are not really familiar with the school system here and they aren't quite sure how far to expect their children will get.

10. AN INTERNAL MIGRANT FAMILY

6.72 The Dick MacInnes family is typical of interal migrant families among the working poor, who make up around one and half percent of the families in the city. Their income adequacy, of course, ranges widely. The MacInnes' are around average in this respect, $800, or fifteen percent, below the poverty line for their family size.

6.73 Dick and Paula MacInnes are a couple in their late thirties. They moved from a small city in Nova Scotia about fifteen years ago, a year after their marriage, and a year before their first child, Georgina, was born. They have been living in Hamilton since then, and have had two more children - John, now ten, and Richard, now eight.

6.74 Dick grew up in a small town in Nova Scotia, where he completed elementary school. In the next few years he held three jobs in the small city where he eventually met Paula. Since coming to Hamilton fifteen years ago, he has held four jobs. He was unemployed once for three months and the family had to go on welfare, but he has been regularly employed for the past seven years.

6.75 Today, he is working as a machinist for a non-unionized firm. He makes $400 a month, which after deductions for income tax, unemployment insurance, The Canada Pension Plan, and medical insurance leaves him $4,320 a year, or $360 a month, in take-home pay. Of this, $120 a month or $1,440 a year goes for groceries, and $420 a year goes for clothing. The rent comes to $90 a month. An additional $20 a month for utilities and $145 for heat over the winter bring the family's housing costs to $1,465 annually. Altogether the costs of food, clothing and shelter come to $3,325, or seventy-seven percent of Dick's take-home pay.

6.76 This leaves just under $1,000 for other purposes. They spend about $15 a month on recreation. They manage to put aside a bit of money from time to time, and now have about $350 in the bank. Dick is able to drive to work in an old car.

They feel that with another $40 a month in take-home pay their income would be adequate for their needs.

6.77 Although Dick has sometimes thought a bit about getting training for a better job, he feels his present level of education and his age are against him. He knows, though, that his children will have to go farther. He and Paula hope that they will go to university. So far, all of them are doing well in school.

6.78 Because most of their relatives are in the Maritimes, Dick and Paula rely for their social lives on their friends. They go out to visit about once every ten days and have friends in about as often. They go to church about once a month. They take the children to a playground at least once a week. Otherwise their leisure time is generally at home. Neither likes to read very much, only the newspaper, so radio and television are on for about three hours a day.

6.79 Altogether, the MacInnes family's situation, in economic terms, is quite like that of either the Collin's or the Bianco's. They have saved a bit more than the Collins', and they are renting their home, rather than buying it like the Biancos. But, in terms of need, they appear to be about the same level. There are greater differences in use of leisure time, though. Because the MacInnes' relatives are mainly in the Maritimes, they depend more on friends for their social lives than either the Collins' or the Biancos. They also attend church less often than the Biancos and make more use of radio and television. In these respects, they are more like the Collins family.

6.80 Our final case is one whose situation has not been referred to often in this report. It has only been dealt with in Chapter 5. But the family with other problems than an inadequate income is important just because of those other problems. Accordingly, we should like to provide one illustration of how such families live.

11. A FAMILY WITH PROBLEMS

6.81 Bob and Elaine Thomas are typical of the families we interviewed who had other problems besides poverty. They were married twelve years ago, when they were both eighteen. They had each left school at sixteen. Elaine had completed grade eight, but Bob had not. He has held six different jobs since he left school. He has been out of work five times for periods ranging from one to four months. The family was receiving

welfare at the time of the survey, for the second time since their marriage.

6.82 The Thomas's have three children. Two are in elementary school, and the youngest will go to kindergarten next year. Neither of the older children has had any trouble with school work, but their oldest boy has been a behaviour problem. This has brought the family into contact with the Children's Aid Society. Their other agency contact has been with the Harbour Rescue Mission, from which they have received material assistance.

6.83 The Thomas's are now living in an apartment in a house converted to multiple occupancy. The rent is very low, $75 a month. But they have only three rooms, not counting the bathroom. This creates problems with sleeping arrangements. The dwelling is also in need of repair. There is deep wear in the places where people walk regularly and the plaster is loose in several spots.

6.84 The Thomas's leisure time is spent much like that of other families well below the poverty line. They go out to visit relatives about once every three weeks, and friends a little oftener. They watch a lot of television and listen to the radio a lot.

6.85 The Thomas's realize that their children must have more education than they got themselves. But they do not know quite how far to expect they will get. In a vague way, they expect they will probably finish high school.

* * * * *

6.86 The families we have described in this chapter sum up the most important characteristics of the more common forms of poverty in our city. But to know the characteristics of the poor is not to solve their problems. In the next chapter, we will try to bring together the findings of the study to show their importance for social policy.

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CHAPTER 7

IMPLICATIONS FOR POLICY

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7.1 In this chapter, we will attempt to draw together some of our study's most important implications for social policy. We would like to do so in terms of three basic questions:

1) How should poverty be defined?

2) Will the poor always be with us?

3) What steps must be taken to eliminate poverty?

1. HOW SHOULD POVERTY BE DEFINED?

7.2 As we have pointed out in our brief to the Special Senate Committee on Poverty, Volume I, there are a good many ways to measure poverty. In Canada, the most widely used criterion has been the Economic Council's series of poverty lines, which were originally drawn up to be used with 1961 Census material. Recently these poverty lines have been updated to 1969 by the Ontario Department of the Treasury and Economics. It will be interesting to see what the differences are between the Economic Council's national poverty lines, updated to 1969, and our own, drawn up for Hamilton in the same year. Table 7-1 provides the comparison.

7.3 It will be seen that for the smaller spending units, the figures are much alike. But as family size increases, the gap gradually broadens. For a five person family it is over $500. For larger families the gap is considerably greater, because the Economic Council's system makes no increases for families with more than five members.* For families of eight or more the difference between the two standards grows to $2,640.

*This is explained by the fact that in the 1961 Census, family income was not tabulated separately for families with more than five members.

TABLE 7-1

Economic Council of Canada Poverty Lines Updated to 1969* with Social Planning and Research Council Poverty Lines for 1969, by Family Size

Family Size	Economic Council Updated	S.P.R.C. 1969
1	$ 1,900	$2,200
2	3,160	3,200
3	3,790	4,200
4	4,430	4,800
5	5,060	5,600
6	5,060	6,300
7	5,060	7,000
8 & over	5,060	7,700

*This material is found at page 44 in the Proceedings of the Special Senate Committee, No. 43.

7.4 It will be readily seen that a difference of this magnitude in the income definition of poverty will result in quite different pictures of poverty. First of all, it will result in different estimates of the numbers in poverty. Secondly, it will result particularly in different estimates of the number of large families in poverty. Third, and most important, it will mean that policies designed to eliminate poverty will be focussed on somewhat different goals.

7.5 In view of the importance of these differences, we have carefully examined our data to see what they can tell us about the validity of our own poverty lines. As we have outlined in Chapter 2, these were set up on the assumption that families who had to spend seventy percent of their income, after income tax, for food, clothing and shelter should be considered to be in poverty. The figures used to estimate the costs of food, clothing and shelter were set on the advice of the Public Welfare Department.

7.6 There appear to be three basic ways in which these proposed poverty lines could be in error. It might be that families spending seventy percent of their income for food, clothing and shelter would still have difficulty in meeting other needs, or, alternatively, they might find that they could spend more than seventy percent for these three essentials and still have enough for other purposes. Second, it might be that the poverty lines we had set out were not, in fact, the levels at which seventy percent (or if the first possibility held true, some other percentage) of income was spent on food, clothing and shelter. Third, it might be that the reason why families at the poverty lines or below them had difficulty meeting their needs was inefficiency in their buying habits rather than income inadequacy as such.

7.7 In view of these three possibilities, we examined our data to find out:

a) whether families near the income levels we had set for poverty lines in fact spent around seventy percent of their income on food, clothing and shelter;

b) whether families above and below the income levels we had set for poverty lines had different attitudes to the adequacy of their incomes;

c) whether families above and below the income levels we had set for poverty lines had different shopping habits.

7.8 These three questions were approached, first of all, in a general way, considering the entire set of poverty lines at once and, then, more specifically, considering the poverty lines for different family sizes. We were particularly concerned about larger families, since the differences between our poverty lines and the Economic Council's poverty lines, updated to 1969, are particularly pronounced for larger families. If we wished to estimate the relative validity of the two sets of measures, we would have to look carefully at these families.

Cost of Food, Shelter and Clothing

7.9 As was pointed out in Chapter 4, families in the borderline category of income adequacy spent sixty-seven percent of their income, after income tax, on food, shelter and clothing. The figure is slightly biased because no allowance was made for maintenance in the case of those who owned their own homes. On the other hand, it would appear that this factor should be approximately

balanced by Family Allowances, which were included as income in setting up the poverty lines but were not included when we asked our respondents their annual income. However, whatever the descrepancies introduced by maintenance costs and Family Allowances may be, it would appear that their combined effect should not change the figure for the borderline category more than a very small amount.

7.10 It should also not be forgotten that the mean income in the borderline category was some $200 above the poverty line. But this effect, like the others, should not be very pronounced.

7.11 On balance, it would appear that the sixty-seven percent figure for the borderline category should be quite close to the proportion of income, including Family Allowances, after income tax, spent on food, clothing and shelter. If anything, it would seem to be slightly low. This is very close to the figure of seventy percent on which our original calculations were based. In this respect then, the general level of our poverty lines appears to be fundamentally sound. The fact that the percentage of income, after income tax, spent on food, shelter and clothing was below seventy percent (although the sixty-seven percent figure, as we have said, may be somewhat low) might be taken to suggest that our figures are a trifle high, but certainly not more than an average of, say, $200.

7.12 But to determine whether this is the case, we must see whether the seventy percent figure on which our poverty lines were based was realistic. Do families above and below the poverty lines take different attitudes toward the adequacy of their incomes?

Adequacy of Income

7.13 The reader will recall from Chapter 4 that it was only in the income adequacy categories above the poverty line that a majority of respondents felt they had enough income to meet their needs. Within the borderline category, the majority of respondents said that they did not have enough income to meet them. Yet those in this category averaged $200 above the poverty line. Unfortunately, our data was not gathered in such a way as to make it possible to determine the precise level of income in relation to family size at which half our respondents felt they had enough income to meet their needs, and half did not, but this point appeared to lie within the borderline category, a short distance above our set of poverty lines. Thus, our data indicated that the point at which around seventy percent of income was spent for food, clothing and shelter was not far from the point at which people, on the average, felt their incomes were adequate to meet their needs. If anything, though, this material seemed to suggest that our poverty lines should have been slightly higher, rather than slightly lower.

Shopping Habits

7.14 We have data on only a limited number of the possible differences in shopping practices between the poor people and others. Such data as we do have provide no reason to believe that they find their incomes inadequate because of shopping practices that differ from those of families above the poverty line. As we have shown in Chapter 4, the poor and the non-poor shop in the same places for groceries. Apart from the very poor, who must make use of cut-rate stores, religious groups' clothing shops, the poor shop in the same places for clothing as the non-poor. Debt payments, as a proportion of income, show no pattern of change with income adequacy, indicating that the poor are not using more of their income for interest charges than others. In short, from our data it appears that the shopping practices of the poor and others are essentially similar.

7.15 It is possible, however, that there are other types of differences than those we checked for - a tendency to buy in smaller quantities for example. This sort of difference has been observed in other studies, but has often been explained in terms of sheer difficulty of having ready cash available rather than in terms of a different approach to shopping. In any case, this kind of difference should not affect the location of the poverty lines very much. Such differences could be expected to be graded, with families just below the poverty line behaving not a great deal differently from those just above it. If so, then the poverty line would be adjusted in only a minor way.

7.16 Another variant of the shopping practices consideration is the suggestion that low income families don't really know what they need and, accordingly, their judgement as to what constitutes the minimum necessary income cannot be relied on. There are two replies to this. The first is that if the poor do not differ in their shopping practices from those just above the poverty line, then one could realistically think of lowering the poverty line, only if he was prepared to challenge the values and/or shopping practices not just of the poor but of a much larger part of the population. The other is that even if there is inefficiency in the purchasing habits of low income people, there is no evidence of extravagance. The reader will recall from Chapter 6 the expenditure levels of typical families below the poverty lines. He will also recall from Chapter 4 that families below the poverty line tend to say that their first priorities if they had more money would be food, clothing, shelter, and savings. There seems no reason from the expenditure figures we have received to doubt that families below the poverty line have difficulty in providing themselves with the things that our society in general assumes to be necessary.

7.17 On balance, then, it seems that the general level of our poverty lines holds up quite well. While questions of precision could be raised in terms of any of the three questions we have asked, in no case does it appear that there is reason to believe that they are defective in an important way.

7.18 The next question is whether our poverty lines can be considered valid, not just in a general sense, but across the range of family sizes. In the case of the relatively small family, there is an easy, if rather imprecise, way to test this, and that is to match the income levels at which fifty percent of our respondents felt their incomes were adequate against our poverty lines. For larger families, however, this process cannot be used. Because of the small number of cases, large income spans are sometimes not represented, and among the largest families we have very few who are above the poverty line at all. Thus, we will have to use a somewhat different technique for these families. But, first, let us see, for families of five or less, how the point at which fifty percent of our respondents felt their incomes would meet their needs compared with our poverty lines.

TABLE 7-2

S.P.R.C. Poverty Lines for Hamilton in 1969, Compared with Income Levels at which 50% of Our Respondents Felt Their Family's Needs Were Being Met

Family Size	S.P.R.C. Poverty Lines	Income Levels
2	$3,200	$3,167
3	4,200	4,250
4	4,800	4,500
5	5,600	6,000

7.19 It will be seen that for the two and three person families, the figures are quite similar. For the four and five person families, the figures differ more greatly, by $300 in one case and $400 in the other. How should these differences be regarded? It seems that the most appropriate view would be that the discrepancies largely result from sample size. It is scarcely likely that a family

of four requires only $250 more than a family of three to achieve the same living standard. Nor is it likely that a family of five requires $1,500 more than a family of four. It would seem that for the four person family the figure given by the second method is low. But this can be accounted for quite readily in terms of sample size. It is also possible that the figure for the five person family is somewhat high, although this is not so obvious from the progression of figures. If so, sample size could also account for this.

7.20 What is most important in the table is simply that for the four different family sizes, the two methods do yield basically similar results. That is, there is nothing in our data to suggest that for small or average size families our poverty lines are seriously inflated or deflated. While, in view of our sample sizes, we cannot take the specific figures for any given family size too literally, in a general sense the data are consonant with our poverty lines.

7.21 For larger families, we cannot perform even this rough test. However, two other approaches are available. The first is logical or mathematical. If the general level of our poverty lines, considered all at once, is appropriate, and if the general level of our poverty lines for smaller families, by the same test, is appropriate, then the general level of our poverty lines for larger families should also be appropriate. If not, either the levels for smaller families or the general level for all considered at once should be out of line. This is correct as far as it goes. But when dealing with figures that are in their nature rather imprecise, it is desirable to employ a more empirical test as well. Accordingly, we have employed a second approach which, if imprecise, can provide us with a general indication of the validity of our poverty lines for larger families.

7.22 The procedure is simply to consider the poverty lines for all families of six or more members at once. While there are not enough cases to do it for each family size separately, there are enough to do it in this way. This procedure requires us to look at our respondents' views of their income adequacy at different distances from our poverty lines.

7.23 When we examine the data from this point of view, we find that our larger families are somewhat more likely at a given distance from the poverty lines to say that their incomes are adequate.*

*In the very poor category, the difference is signficant. At all other levels, it is not.

But the point at which fifty percent of the respondents feel their incomes are adequate is still within the borderline category, slightly above the poverty line. This suggests that for large families, like small ones, our poverty lines are at something like the right level.

7.24 In view of the numbers involved, however, it seemed advisable to look at larger families in terms of some other variables closely associated with income adequacy. We decided to look at the level of savings accumulated and the presence of housing defects. In the latter case, the results were predictable and clear. The differences between larger and smaller families at comparable income levels were negligible. For families above the poverty line, the percentages with defects were respectively twenty-nine and twenty-seven. For families below, the figures were forty-five percent and forty-one percent.*

7.25 The results for savings, on the other hand, were surprising. The larger families, although they had been slightly more likely to say that their incomes were adequate, and although their housing was no more likely to show defects, were significantly less likely to have enough savings to get by on for a month. It could not be determined from our data whether larger families, for some reason, placed a lower value on savings, or whether the pressure on their finances was greater than might be indicated by their responses to the question on whether they had enough income to meet their needs. In view of this, we could only say that perhaps it indicated that the poverty lines should be higher than they were, but that it did not clearly indicate that this was so.

7.26 On balance, then, the most reasonable conclusion seemed to be that the poverty lines for larger families were probably about right. If the larger families were slightly more likely to say their incomes were adequate, the borderline category was still the one in which fifty percent believed their incomes were adequate. The percentage of families with housing defects was virtually identical to that for smaller families. If the level of savings was lower among the larger families, it could be accounted for by other factors than pressure on their finances. It seemed most appropriate to conclude that, while the poverty lines for larger families should be regarded with more caution than those for smaller families, they could still be taken as acceptable general indicators of the amount of money families require to meet their basic needs.

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*Families in the moderate income category are not included in this comparison because there are virtually none among the larger families.

7.27 Our overall conclusion on our poverty lines, then was that their general level appeared to be appropriate and the specific levels at different family sizes were also appropriate. While less certainty could be attached to the poverty lines for larger families, these seemed, like the others, to provide appropriate general indicators of the financial status of the families they applied to.

7.28 The reader may wonder why we have gone to such lengths to indicate the validity of our poverty lines. One reason is that before analyzing our other data, we wanted to be sure that our poverty lines were consistent with the kind of material we have presented here. Having examined the data for this purpose, we have presented our findings here to indicate the basic strength of our own system before going on to point out how different some of our findings might have been had we employed a different set of poverty lines instead.

7.29 We have already mentioned some of the differences that arise when poverty lines are changed. We would like here to give an indication of the magnitude of change. Since much of the material on poverty in this country has been based on the Economic Council's poverty lines, we would like to make our comparisons in terms of them.

7.30 Let us begin with the numbers in poverty. We have applied the Economic Council's updated poverty lines to our estimated income distribution by family size for Metropolitan Hamilton in 1969.* This makes possible a comparison for our own area. Using our poverty lines, some thirteen percent of the families in Metropolitan Hamilton in 1969 were in poverty. By the updated Economic Council figures, this would drop to about ten and one-half percent. For the City of Hamilton, the figures are, respectively, fourteen percent and eleven and one-half percent.

7.31 To put it another way, moving from the Economic Council's updated poverty lines to our own results in an increase of more than one-fifth in the number of families considered to be in poverty. The increase is much more dramatic among larger families. Families of six or more increase by more than one hundred and twenty percent. About one-half of the overall increase takes place among families in this size range.

7.32 Along with the change in the composition of the poor by family size go other important changes. One of these is a change in the income levels of the poor. Applying the Economic Council's

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*For the procedures used in developing the estimated income distribution by family size, see Appendix "A" of our brief to the Special Senate Committee on Poverty, Volume I.

updated poverty lines to our estimated income distribution by family size, only one percent of the families in poverty in Metropolitan Hamilton would have annual incomes of over $5,000. Using our criteria, the figure would rise to eighteen percent. While the precise figures differ somewhat, our survey would indicate a similar difference.*

7.33 Along with a change in income levels, goes a change in income sources. Table 7-3 shows the different income sources of the poor according to our series of poverty lines and according to the updated Economic Council lines.

TABLE 7-3

Sources of Income of the Poor, Using S.P.R.C. Poverty Lines, and Economic Council Poverty Lines Updated to 1969

	S.P.R.C. Poverty Lines	Updated Economic Council Lines
Old Age Pensions	1/5	1/5 to 1/4
Family Benefits (single parents only)	1/6	1/5
General Welfare Assistance	1/8	1/6
Worker's Insurance Schemes	1/10	1/10
Wages and Salaries	3/7	3/10

7.34 It will be readily seen that the greatest change in the table is the decline of the working poor. When we shift to the updated Economc Council poverty lines, this group declines from three-sevenths to three-tenths of the families in poverty. At the

*We are preferring our estimated income distribution to our survey data here because of the possibility of sampling error.

same time, the numbers receiving Family Benefits and General Welfare Assistance increase, respectively, from one-sixth to one-fifth and from one-eighth to one-sixth. The proportion of old age pensioners also increases, although not so greatly. The proportion relying on workers' insurance schemes remains about the same.

7.35 From the basic changes we have outlined, others follow. The decline in the number of large families produces a decline in the number of families living in crowded conditions. The relative increase in the number receiving Public Assistance and Old Age Pensions produces a decline in the proportion of families where the wife works. Other examples could be given but these will suffice for illustration.

7.36 The most important consideration is that these changes will cause policies to appear in a different light. If, for example, one set of estimates on the number of large families in poverty is lower than another, the lower figure will provide encouragement to the notion that increased minimum wages, occupational upgrading, and the like should be given priority, since it is the larger family for whom these are least likely to be fully effective. The need for housing programs to eliminate overcrowding may also appear in a different light. If one series of poverty lines indicates a great many more families in poverty above a given level than another does, the one indicating that there are relatively few cases will give encouragement to the view that if only we could raise everyone to that income level, the problem would be solved. From the standpoint of the other series of poverty lines, this will be an over-simplification. If it is felt that programs to eliminate poverty need to be directed in terms of people's income sources, than any significant differences in the income sources of the poor that may result from using different poverty lines may place different priorities on different groups.

7.37 Other examples could be given, but these should indicate the importance of noting the differences that may arise from using different sets of poverty lines. We believe that we have shown that for our area our standards are appropriate, and, conversely, that the updated Economic Council standards are less so. We would suggest that this implies caution in using the Economic Council's standards in other urban centres. We do not, of course, have data to demonstrate the appropriateness of our poverty lines for other areas, but the recent Dominion Bureau of Statistics' study on relative expenditures has shown that living costs in eight Canadian metropolitan areas are very much alike. We have no reason to believe that living costs in Hamilton differ greatly from those in other centres. Accordingly, we believe that caution should be exercised in interpreting data from other metropolitan areas in terms of the Economic Council's poverty lines. It may well be that for other metropolitan areas, poverty lines quite similar to our own would, in fact, be more appropriate.

7.38 Quite apart from any data that might be presented, it is somewhat surprising that a system of poverty lines making no increase for families of more than five members, as is the case with the Economic Council's system, should be widely used. It would seem clear that family members beyond the fifth do represent additional expenses. In fairness to the Economic Council, it should be pointed out that the reason why increases were not calculated for additional family members was simply that the 1961 Census did not provide tables showing income by family size for particular family sizes beyond five. Thus, for analysis of 1961 Census material, their approach was quite correct. But for development of public policy and certainly for analyzing any data drawn from other sources, allowances should, whenever possible, be made for additional family members.

7.39 Whether our own poverty lines can be used for this purpose, we are not prepared to judge. But we would like to reiterate that our poverty lines may be more appropriate for other metropolitan areas than the Economic Council's lines. It is also possible, although we have less firm reason to suggest it, that they are more appropriate for relatively large urban centres in general. But, however this may be, it seems clear that the policy-makers should, where possible, employ poverty lines that continue to increase as family size advances past five. Where this is not possible, then the differences that we have indicated are likely to arise when different sets of poverty lines are used should be borne in mind.

2. WILL THE POOR ALWAYS BE WITH US?

7.40 In order to fully answer this question, we would have to know a great deal - about future economic conditions; about the willingness of the public to support programs of income equalization; about the desire of the poor to break out of poverty, and many other things as well. Since we do not know all of these things, we will have to content ourselves with something more modest - to try to assess, in a general way, the degree to which poverty is likely to be alleviated over the next few years in our own area, by measures already in effect or shortly to be undertaken.

7.41 More precisely, we would like to estimate how much of the poverty in the Hamilton area is likely to be eliminated over the next ten years, if we assume no changes in social policy other than those to which we are now firmly committed. This approach will give us an indication of the magnitude of the task that will lie before us if we commit ourselves to eliminating poverty with deliberate speed. It should also indicate something of the nature of the task, if we determine what categories of the poor are most likely to remain in poverty unless particular measures are taken to aid them.

7.42 Since the major question is how much the incomes of today's poor and those like them who will form families in the next few years can be expected to rise, we will consider the question in terms of the major categories of income among the poor.

a) Old Age Pensions

7.43 We have estimated that the major source of income for twenty percent of the families in poverty is the Old Age Pension. We have also mentioned that since the coming of the Guaranteed Income Supplement, a couple who are eligible need not, in any situation, be more than $600 below our poverty lines. What are the prospects for closing this gap in the next few years?

7.44 In fact, they appear to be very good. By 1976, the Canada Pension Plan will have come into full operation. This will have a profound effect on the economic status of retired couples. In fact, where the period of contribution has been over ten years, the only case in which it will not eliminate poverty will be one in which a) the wife has not worked, and in which b) she has not reached sixty-five when the husband retires, and in which c) the husband has averaged less than $65 a week (or assuming inflation, an appropriately increased amount) over the ten years preceding his retirement. Even if the husband had earned only the minimum wage, for a thirty-one and a quarter hour week, the wife would have had to average less than $1,500 a year's earnings to bring the family over the poverty line. Even if she had not worked, the moment she turned sixty-five, her pension would bring them over the poverty line (- assuming that pension values had not been allowed to be eaten away further by inflation). In other words, it is only in a rare set of circumstances that a retired couple will fall below the poverty line.

7.45 We must remember, however, that this depends on current Old Age Pension values not being eaten away too greatly by inflation and on a minimum wage that rises at least as quickly as prices do. If these assumptions do not hold, then the numbers who will remain in poverty will increase accordingly.

7.46 We must also remember that the poverty lines set out the amount of income the average family will require. In particular situations, more may be needed. In the case of the elderly, perhaps the one to which attention should be directed is drug costs. These are largely outside the control of the individual, and with universal medical care and hospitalization in effect, they probably represent the most important uncontrollable major expense with which the elderly person may be faced. To the extent that those who need assistance with major drug costs are not able to get it, we will not have succeeded in eliminating deprivation.

b) Workers' Insurance Schemes

7.47 The effectiveness of workers' insurance schemes in keeping families out of poverty, in the case of short-term unemployment, depends on the proportion of income which is paid when unemployment strikes, and, in the case of long-term unemployment, also on safeguarding the value of the payments against inflation. On the former point, it appears that the White Paper now being discussed by the House of Commons, if implemented, will improve the situation. On the latter, which is more frequently involved in Workmen's Compensation cases, there is no sign of relief in view.

7.48 Although it is clear that the proposed revisions in the Unemployment Insurance legislation will both make it easier for families to get over a period of unemployment, and, in some cases, make it possible for them to avoid going on welfare, we cannot determine from our data how much effect this will have in eliminating poverty in the Hamilton area. Our sample of families relying on workers' insurance schemes is simply too small. We can say, however, that a reduction of indeterminate size will be made in the number of cases in poverty.

c) Wages and Salaries

7.49 In order to estimate likely changes in the numbers of the working poor, it is necessary to consider two factors - 1) our increasing income levels, and 2) our declining birth rates. Each can affect the prevalence of poverty in an important way. Let us deal with them one at a time.

1) Income Increases

7.50 Economic forecasting is a hazardous enterprize. It is particularly difficult at a time when we have been experiencing both inflation and high unemployment, a combination that makes it difficult to tell just in which direction we are going. But nevertheless, it is a practice in which policy-makers must engage.

7.51 In our case, the particular problem is how much we can expect real incomes to rise over the ten year period, 1969-1979, and how evenly we can expect the increase to be distributed. In neither case can we be sure that our prediction will hold good, but we can attempt to make reasonably likely estimates as to what may happen.

7.52 In the first case, we have decided to suggest a series of rates of growth, and to determine how much impact each would have. We are employing annual growth rates in real

income of two percent, three percent and four percent. The latter figure is just above the average for the period 1960-68. Since these were unusually high rates, and were partly attributable to special, nonsustainable factors,* it seems reasonable to think of four percent growth as a maximum rate for our forecasting.** On the other hand, the country is likely to remain in a situation favourable to strong growth in real income per capita,*** and during the post-war period, output per employed person has only on a few occasions failed to increase by at least two percent per year. Thus a figure of two percent seems an appropriate minimum to use. Barring some major, unforeseeable change in our economy, the rate of growth seems quite likely to lie within this range.

7.53 If one of these three growth rates were to prevail, we would see an increase in real income over a ten year period of twenty-two percent at the lowest rate, thirty-four percent at the middle rate, and forty-eight percent at the highest.

7.54 Clearly, these projected rates of growth could have a considerable impact on poverty. But how will these increases be distributed? If they are distributed evenly, that is one thing, but it has often been suggested that poor people do not receive the full benefits of economic growth. Unfortunately, there is little detailed information on the relative benefit received by different income groups in situations of economic growth. But on a gross level of analysis, there is evidence to suggest that the increases of income that we have seen in the post-war period have been distributed rather evenly. Table 7-4 shows the proportion of total income among non-farm families in Canada received by families in the five income quintiles for the period 1951-65.

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* Economic Council of Canada, Sixth Annual Review, 1969, p. 144, passim.

** This is a rather conservative upper figure, in view of the fact that Ontario has shown real growth above the national average over most of the postwar period.

*** loc. cit., passim.

TABLE 7-4

Total Shares of Non-Farm Family Income Received by Income Quintiles, for Canada, 1951-65 in Percentages*

	Lowest Quintile	Second Quintile	Middle Quintile	Fourth Quintile	Highest Quintile	Total
1951	6.1	12.9	17.4	22.4	41.1	99.9**
1957	6.3	13.1	18.1	23.4	39.1	100.0
1961	6.6	13.5	18.3	23.4	38.4	100.2**
1965	6.6	13.3	18.0	23.5	38.6	100.0

* More detail is presented in Table 12 of the D.B.S. Bulletin "Income Distributions: Incomes of Non-Farm Families and Individuals in Canada, Selected Years, 1951-65".
**The original table cited above gives these figures as 100.0 but the percentages add up as shown here.

7.55 It will be seen that the lower quintiles increased their share of national non-farm income over the period. The difficulty, however, is that this is total income rather than earned income. Further analysis indicates that the percentage of income in the lowest quintile received through transfer payments increased from under one-quarter to just under one-third. The second quintile also showed an increase in transfer payments although this was quite small. The upper three quintiles showed no increase. This supports the view that over this period the earnings of the lowest income families did not increase as rapidly as those of others.

7.56 It is unfortunate that we do not have data in a comparable form for earned income. But we can examine census material from 1951 and 1961 to determine whether growth in earned income over that period was evenly spread. If we examine the increases in the lower decile points over the period, it becomes apparent that the lowest incomes, in fact, did grow more slowly. Since the national data shows a pattern similar to that of Metropolitan Hamilton, although at a lower level of growth, we will move directly to the

local figures. These are shown in Table 7-5, which presents the lower decile points for wage earner family head income in the two years. It also indicates percentage rates of growth in actual and constant dollars.

TABLE 7-5

Wage Earner Family Head Income, Metropolitan Hamilton, 1951 and 1961, with Percentage Rates of Growth

	1951	1961	Percentage Increase 1951-61	Percentage Increase in Constant Dollars, 1951-61
P_{10}	1419	2252	59	41
P_{20}	2066	3183	54	36
P_{30}	2279	3740	64	45
P_{40}	2489	4209	69	49
P_{50}	2616	4602	76	56

7.57 It will be seen that real growth over the period was, in fact, slower at the bottom of the income scale. The tenth percentile increased only three-quarters as fast as the fiftieth, and the twentieth percentile increased less than two-thirds as quickly as the fiftieth. This indicates that during this period, those who earned the least did not get an even share of income growth.

7.58 There is an important difficulty, however, in using data from this period. Ontario's minimum wage legislation did not come into effect for male workers until 1963. Since the minimum wage is a major determinant of the rates at which the incomes of those at the bottom of the scale will rise, we must attempt to see what effect it may have had. From 1963 to October 1st of this year, the minimum wage for male workers has increased from $1.00 to $1.50 per hour. It will rise further to $1.65 in April of 1971. In constant dollars, the increase from 1963 to the present is slightly over twenty-one percent, or about three percent annually. This is around three-quarters of the rate of growth in real income

for the employed population. If we consider the planned increase for next year and assume a rate of inflation of, say, four or five percent (which at the time of writing appears likely to be high), the increase in real dollars will have risen to almost thirty percent. This will place the rate of annual increase quite close to that of real income for the employed population over the period since the legislation came into effect.

7.59 It is difficult to say just what rate of increase in minimum wages will prevail during the coming decade. It is a matter of public policy. Without knowing what this will be, it is difficult to make firm assumptions about the distribution of the benefits of economic growth. Perhaps the best assumption in this situation is the simplest: that the minimum wage will maintain a growth similar to that of the period 1963-1971, that is, that it will increase at approximately the same rate as that of real employment income as a whole. If this is the case, it will not, of course, guarantee that wages somewhat above it will increase equally as rapidly. It will certainly exert pressure on them. At the same time, of course, it is to be expected that incomes near the median will increase at about the same rate as real employment income as a whole. With incomes near the median as well as minimum wages moving at about the same rate as real income growth as a whole, there will certainly be pressure for wages in the range between them to move at a similar rate.

7.60 Another consideration is that even if minimum wages and, with them, other incomes at the bottom of the range lag somewhat, it will not affect all of the working poor. Among our sample of the working poor, more than forty percent had incomes of $5000 or more. Only fifteen percent had incomes under $3000. In other words, many of them are at income levels where a lag is unlikely to be very pronounced and only a relatively small number are at the levels where it would, in the absence of progressive minimum wage increases, be liable to be most severe.

7.61 All told then, it seems reasonable to assume that increases in real income will be distributed evenly across the range of incomes we are concerned with. It must be remembered that this depends on the minimum wage increasing proportionately to real income in general. The assumption could also be shaken by a set-back in one economic sector or another resulting in a slow down in wage increase there. But if this assumption, like any other we make in forecasting, may not prove entirely

correct, it is at least as reasonable as any likely alternative. Let us see what it leads to. Let us look at the families in our survey to see how many would not be in poverty if real income increased at the three rates we have suggested, and if the increases were evenly distributed.

7.62 The results vary widely with the different rates of growth. Under the most conservative assumption, about forty percent of the families listing wages and salaries as their major source of income would be raised from poverty. Under the second assumption, some seventy percent would be raised from poverty, and under the highest assumed rate of growth, some eighty percent would be raised from poverty. In the latter case, it would be only among families with five or more children that any significant number would remain in poverty.

7.63 If the figures vary, however, they all suggest that poverty, as we have defined it, will be markedly influenced in the coming decade by economic growth. The proportion released from poverty, though, will vary inversely with family size, and even the highest assumed rate of growth will leave a good number of large families in poverty. But if very large families are less likely to be released from poverty in this way, their situations will still be improved.

7.64 This must not be interpreted to mean that a policy of laissez-faire is appropriate. In preparing our forecast, we have assumed continuation of current governmental intervention in the economy. In particular, we have assumed that the minimum wage will continue to rise as rapidly as real income per capita. We have seen that before the introduction of minimum wage legislation, the incomes of those at the bottom of the income scale increased less rapidly than those of others. In addition, government must continue to combat inflexibility in the labour market through retraining programs, relocation grants, and the like. Moreover, government must ensure that unemployment does not reach the level at which wage rates near the bottom, where those most likely to be unemployed

are found, are liable to lag even if the minimum wage continues to move the very lowest upwards. Other examples might be given, but these should suffice to illustrate the point: that an assumption either that economic growth will continue at a rate similar to that of the recent past, or that its benefits will be spread evenly depends on the continuation of the policies of the past, or, alternatively, on equally effective policies replacing them.

7.65 Further, it must be noted that even under the most optimistic of our assumptions, a significant number of the working poor will remain. In view of population growth, there would be well over 1,000 working families in poverty at the end of the decade even with four percent annual growth. Governmental action not being taken at the present time will be required to bring them out of poverty.

7.66 These qualifications must be borne in mind. If an even share of the benefits of economic growth is to be realized by the poor -

1) the minimum wage must rise as rapidly as real employment income;

2) the labour market must be kept flexible, and

3) employment must be kept high.

These requirements will demand the careful and continuing attention of government. They may also require resistance to counterpressures. But if these requirements are met, we are likely to see, inside of the coming decade, a major reduction in the numbers of the working poor through the rising real incomes that economic growth makes possible.

2) Family Size

7.67 Another trend which is likely to affect the extent of poverty is a decline in family size. As we have pointed out in Chapter 6, if the families among the working poor had had as few children as they now say they wish they had had, the numbers in poverty would decline by one-third. At the same time, one-quarter of the families would be drawn closer to the poverty line.

7.68 We do not know what will happen to our birth rates over the long term. Last year, for the first time in a decade, the birth rates for Ontario increased slightly. It is impossible to determine whether this means birth rates are now beginning to rise, whether we have now reached the end of the decline and are moving onto a plateau, or whether this was simply a temporary reversal of a continuing trend.

7.69 One thing, however, does appear to be clear, and that is that our sample, unlike the sample in most studies done up until the last few years, showed no difference between the poor and non-poor in the prevalence of contraceptive practices. Whatever may be going to happen to our birth rates, it is highly unlikely that they will rise rapidly back to the level of the 1950's.

7.70 What this implies is that, whatever the specific levels may be, it is very likely that the coming generation of low income families will have fewer children than the current generation has had. If birth rates remain constant or fall still further, the difference will only be accentuated.

7.71 Accordingly, although it is hazardous to forecast this kind of thing, we would like to give just one example of how a decline in family size, together with the increases in income we have discussed, might affect the prevalence of poverty. To be conservative, we will assume that the coming generation of low income families will not have the same number of children the current generation says it would have if it could start over, but, rather, that the decline in family size will only be one-half that great.

7.72 Let us see how this would combine with our second assumption on economic growth. The result is about the same as that of our third economic assumption. About eighty percent of the working families below the poverty line would be lifted above it.

7.73 But this, to some extent, underplays the effect of the change in family size. It would appear to be greater if it were not that many families who would not be in poverty if there were fewer children had already been brought out of poverty by our assumptions on increases in income.

7.74 But on the other hand, we must not overlook the fact that even if low-income families were to have only the number of children they now say they would if they could start over, the percentages who would be removed from

poverty would rise to only eighty-five. Simply put, some people place more value on a large family than they do on better living standards.

7.75 Altogether, though, the data we have presented suggest strongly that economic growth and a probable decline in family size among lower income families in the next decade will cause a major reduction in the numbers of the working poor.

d) Public Assistance

7.76 Because the same levels of support are provided to recipients of Family Benefits and of General Welfare Assistance, we will consider the two together. We have estimated that in 1969 more than a quarter of the poor families in Hamilton were receiving one or the other. What will be their situation after the next few years?

7.77 It is very difficult to say because this is entirely a matter of public policy. Recently, the level of support provided was increased by about twelve percent, but this served only to return the level of public assistance, in real dollars, to about where it had been two years previously. There remains a quite substantial gap between public assistance payments and our poverty lines. Table 7-6 shows the differences.

TABLE 7-6

A Comparison of Public Assistance with the S.P.R.C. Poverty Lines

	Public Assistance	Equivalent Earned Income*	S.P.R.C. Poverty Lines
2 persons (adults in unheated premises)	$2,448	$2,912	$3,200
3 persons			
(1 child under 10)	2,772	3,295	4,200
(1 child 16 or over)	2,964	3,482	4,200
4 persons			
(2 children under 10)	3,156	3,712	4,800
(2 children 16 or over)	3,516	4,050	4,800
5 persons			
(3 children under 10)	3,540	4,124	5,600
(3 children 16 or over)	3,636	4,110	5,600

*These figures have been derived from data presented in the Proceedings of the Special Senate Committee on Poverty, No. 43, p. 47.

7.78 The heading "Equivalent Earned Income" shows the amount of money an employed person would have to make in order to provide a comparable standard of living to that provided by welfare. The basic welfare allotment is increased by the cost of income tax, unemployment insurance payments and the Canada Pension Plan, OHSIP, and Ontario Hospital Insurance at full rates. This will, to some degree, understate the value of current welfare payments because no allowance is made for the value of the free dental services welfare recipients may obtain. On the other hand, addition of the full value of health insurance premiums will overstate the relative value of public assistance, because so many employers pay part of the costs.

7.79 Even allowing for the omission of dental care costs, it seems clear that for all families of more than two members a quite sizeable gap exists between public assistance payments and our poverty lines. The size of the gap in dollars increases with family size. As the table indicates, a family with three children will be between $1,400 and $1,500 below our poverty lines, minus whatever correction is appropriate for dental costs. Although the table does not show it, the gap grows still further as family size increases.

7.80 In percentage terms, however, the pattern is less clear. This is partially due to the fact that public assistance rates vary (as they should) with the composition of the family as well as its size, whereas our poverty lines, intended for more general purposes, do not. It also reflects a general tendency for public assistance allowances to rise less quickly than our poverty lines. For the different family sizes and compositions shown in the table, the difference between our poverty lines and the earned equivalent of welfare payments varies from about ten percent for two adults to over thirty-five percent for a family of five. This means, unfortunately, that we cannot specify the percentage increase in cost that would be involved in bringing those receiving public assistance to an income standard equivalent to our poverty lines. If we had information on the actual distribution of public assistance cases in our area by size, it would be possible, but this information is not available.

7.81 However this may be, it does not appear that there is a policy change in view which will result in lifting public assistance recipients nearer the poverty line. Perhaps we must assume that new developments will be required if families on public assistance are to be brought out of poverty.

7.82 Where does this leave us? We have seen that poverty among old age pensioners should be all but eliminated within the decade by programs already underway. We have seen that normal economic growth should remove many of the working poor from poverty. Some improvements will be made in the lot of those relying on Unemployment Insurance if the White Paper currently under consideration is implemented. It is only for recipients of public assistance that there is no immediate reason to expect improvements.

7.83 If the changes that we have suggested are likely do occur, then by the end of the decade the poverty situation in our area will look far different than it does today. If, for example, our middle rate of income growth applies, and the family sizes of the poor decline one-half as much as our respondents said they would like to reduce them if they could start over, we will find that the percentage of all families in the area who are living below the poverty line will be approximately halved. On this assumption, among those remaining in poverty, more than one-half would be recipients of public assistance. Among the other groups, the largest would be the working poor, most of whom would have families above average in size. There would be smaller numbers relying on workers' insurance schemes and a quite small number of senior citizens.

7.84 If we do not opt for a guaranteed annual income or some other major new departure, we can determine from this picture the areas in which there will have to be policy changes if we are to eliminate poverty. Public assistance rates must be increased. Workers' insurance schemes must be improved, particularly to safeguard earnings against long-term inflation. Some way must be found to supplement the earnings of large low-income families, even though the heads may be working full-time.

7.85 But if these measures will effectively eliminate poverty, in the sense in which we have used the term, there are other related problems that will not be eliminated at the same time. One of these is the condition of housing. We have shown that a good many people below the poverty line live in housing with quite obvious defects. We have also shown that, at this level at least, the presence of defects is unrelated to monthly housing costs. We have suggested that this results simply from a shortage of adequate housing in the lower rental range. Eliminating poverty, in the sense in which we have discussed it, will not solve this problem. Other measures will be required.

7.86 Similarly, the lack of participation of low income people in organizational life and, most particularly, in political affairs should not be expected to disappear automatically with increases in income. Continuing efforts to involve low income people in the affairs of the community will have to be made.

7.87 Another point, perhaps of a more theoretical kind, is that eliminating poverty, in the sense in which we have used the term, does not necessarily imply that we will have achieved an equitable income distribution. Nor does it necessarily imply that we will feel, in ten years' time, that an income equivalent, in real dollars, to our 1969 poverty lines is sufficient to meet basic needs. Changes in tax policy, as well as changes in our subjective definition of deprivation, may occur. But, as we have pointed out in Volume I of our submission to the Special Senate Committee on Poverty, the only kind of poverty definition that is both readily quantified and widely acceptable is a definition in terms of deprivation, as this is viewed at the time of study. Accordingly, we have used this kind of definition, keeping in mind its limitations.

7.88 But if there are other problems which will not be eliminated by the simple removal of income inadequacy, the fact remains that much can be accomplished through doing this. It is heartening to know that a good deal of poverty, in this sense, can be expected to disappear in the coming few years. The question is whether we will take the steps required to eliminate the rest of it.

3. WHAT STEPS MUST BE TAKEN TO ELIMINATE POVERTY?

7.89 This broad question, like the last, can only be dealt with here in general terms. Evaluation of some of the methods that might be used to deal with poverty has been provided in our brief to the Special Senate Committee on Poverty, Volume I. Further comments are found in Volume III. It is not the function of this report to discuss the merits and demerits of various income supplement schemes in detail. But it does seem desirable to outline the major steps that would need to be taken, assuming that no major overhaul of our social security system, such as a full-blown guaranteed income scheme, will be introduced.

7.90 We are presenting our findings in this form because we believe that they will be relevant whether or not a grand strategy such as a guaranteed annual income, is adopted. If it is not, then the kind of things we have to suggest must be a part of our basic strategy to eliminate poverty. But even if it is, it is unlikely to be introduced immediately. There will be time involved before it is fully accepted in principle. More time must be given to working out a series of satisfactory specific proposals. Further, there is likely to be considerable public debate before a major change can be introduced. Thus, it is certain to take some time before any major alterations in our system are introduced, if they are to be introduced at all. We cannot avoid the responsibility of taking what steps we can to deal with poverty through our existing mechanisms in the meantime. Thus, we believe that our comments will be relevant whether or not a major change is going to take place.

7.91 Since we are assuming no major overhaul of the social security system, we have organized our conclusions in terms of the current major income sources of the poor. We will discuss them in the order of the number of families in our area whom we expect will be relying on them for support ten years from now.

a) Public Assistance

7.92 We have indicated that unless a definite policy direction is set, the majority of the families in poverty in our area ten years from now are liable to be recipients of public assistance. In fact, unless it becomes a matter of policy to bring public assistance payments to the poverty line, we may find that, as in the last increase, we are simply compensating for inflation at a time when economic growth certainly makes it possible to do much better.

7.93 The basic argument against raising public assistance payments (aside from cost) is that it will decrease the incentive to work. But if incomes of those who work are, in fact, rising at from two to four percent in real terms, there will be no change in the comparative advantage (or disadvantage) of employment if public assistance rates increase at the same speed. Furthermore, if the objection is one of cost, it can be replied that, other things being equal, we ought to be able to spend more as our level of income rises.

7.94 What would a policy of increasing public assistance rates at the same speed as real employment income do to eliminate poverty? This cannot be determined with very great precision from data at our disposal, but it is clear from the allowance structure that the vast majority of public assistance recipients could be brought above the poverty lines within a decade if real growth were three percent per year, and that all would be brought above the poverty line if real growth were four percent per year. If growth were to drop to two percent, we would find that only a minority would escape from poverty, but, of course, everyone's position would be considerably improved.

7.95 It appears, then, that poverty among public assistance recipients, if not abolished, could be very much allievated by a policy of increase in public assistance parallel to the growth of real personal income. Since the major arguments against increases in public assistance hold up very poorly against this rate of increase, it seems that this is a minimum rate below which increases in social allowances should not be allowed to fall.

7.96 Good arguments on humanitarian grounds can also be made for more rapid increases. We do not propose here to attempt to determine what the rates of increase should be, but we would like to urge that careful consideration be given to the possibility of moving faster, so that the kind of deprivation we have found among public assistance recipients can be ended as quickly as possible.

b) Wages and Salaries

7.97 The number of families relying on wages and salaries for support who will be below the poverty line is hard to predict. The reader will recall that different rates of growth would produce quite different results. But it appears quite likely that by the end of the decade a much higher proportion of working families in poverty will have an above average number of children. This seems to suggest two avenues of policy -

1) better birth control programs, and

2) income supplements to working families who are below the poverty line.

1) Better Birth Control Programs

7.98 The first of these options is perhaps more attractive at first glance than it is after further consideration. It is attractive at first glance because so many of the families in poverty are larger families. It is less so when we reflect that the poor families in our sample were as likely as the non-poor families to be employing birth control. Yet, even so, there seems to be a case for better birth control programs, if only because it is more problematic when a low income family has a child they might have preferred not to have had than when a middle class family does. Perhaps what this means is that we must insure that all low income families are familiar with birth control techniques. The effect of this on reducing poverty, however, is unclear.

2) Income Supplements to Working Families Below the Poverty Line

7.99 The second proposal brings us into a more difficult area. Here the question of how much income supplements will affect work incentive arises. This is a question to which only experimentation can provide the answers. The

first reports from the New Jersey experimental programs seem to indicate that at least at some levels income supplementation has no effect on work motivation one way or the other. This suggests that programs of this kind could be introduced.

7.100 Assuming that the New Jersey experiment and others like it prove favourable, the real question simply becomes one of cost. It is impossible for us on the basis of our data to make an estimate of how much would be involved in bringing all the working families who will be below the poverty line in ten years above it. But we can point out that the costs of this in the long term need not be so great as they appear to be now. A growing economy can afford this kind of program more readily and, with increasing affluence, fewer families will have need of it. (If more people can be induced to take upgrading courses, the number requiring extra help may be reduced still further, although as we have said elsewhere, the effects of this will be limited.) In view of this, it would seem appropriate to say that the time to begin exploring the possibility in an experimental way is now. If these experiments are favourable, the program should be introduced as quickly as possible at a level as close to the poverty line as is feasible.

7.101 Better birth control programs and income supplements to the working poor are useful programs in themselves. But what if the assumption we have made on the distribution of income increases over the next few years is not correct? It is conceivable that lower paying jobs may not get an equal share of the increasing wealth of the country. We have mentioned earlier some possible approaches to this. Here we would like only to re-emphasize one. The minimum wage must rise as rapidly as others do. Insofar as is feasible, it ought to rise more quickly. If advances in minimum wages do not occur, there is a danger that other wages not far above them may also lag behind their potential increase.

c) <u>Workers' Insurance Schemes</u>

7.102 We have mentioned earlier some of the things that we feel might be done to improve workers' insurance schemes. An increase in the proportion of salary that is paid to the unemployed or injured worker is one step. The other, and this is particularly important in the case of Workmen's Compensation, is that earnings be fully safeguarded against the effects of inflation. Other improvements than these might be suggested

but these are fundamental. It is unfortunate that from our data we cannot effectively estimate the influence of such steps on the prevalence of poverty in our area, but it is certain that they would prove beneficial.

d) Old Age Pension

7.103 We have shown that in only unusual cases are senior citizens likely to be in poverty after the Canada Pension Plan is in full effect. But this depends on both the Old Age Pension and the Canada Pension Plan being safeguarded against inflation. In the case of the Old Age Pension, this could be readily achieved through increasing the amount by which payments may be increased in the event of inflation above the current maximum of two percent. In the case of Canada Pension Plan payments, the matter is considerably more complex and we will content ourselves with remarking that it should be given more study.

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7.104 As we have said before, the policies we suggest should be relevant whether or not we are eventually to adopt a grand strategy for eliminating poverty. We have also said that the time to commit ourselves to these proposals is now. It seems clear on the basis of the evidence we have presented that, if we cannot eliminate poverty tomorrow, it is likely to be economically feasible to do so inside of the next several years. We have the opportunity to do away with serious deprivation for all of our people. The opportunity must not be lost.

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APPENDIX A

METHODS

APPENDIX "A"

METHODS

A.1 In this Appendix we would like to provide the interested reader with a more detailed picture than was given in Chapter 2 of how our sample was selected, how the questionnaire was drawn up, how the interviewing was carried out, and how our data was analyzed. In each case, we would like to indicate something of the strengths of our methods and something of their limitations, so that the reader can more readily appreciate the difference between findings which we can regard as conclusive and others on which further research would be desirable.

1. SAMPLING

A.2 Perhaps the best place to begin is with our method of sampling. As we have indicated in Chapter 1, the major differences between the study we wanted to carry out and previous studies were that: 1) we wanted to interview a sample of all the poor in the city, and that 2) we defined poverty in terms of family size as well as income. Thus, a crucial element in designing the study was to develop procedures that would provide this kind of sample.

A.3 Perhaps the most obvious approach would have been to use a screening procedure. An interviewer would call at a home, determine the size of the family and its annual income, then, if the family appeared to be below the poverty line, request a complete interview. This approach was not adopted for two reasons. First, it was certain to be inefficient. If our estimate that fourteen percent of the families in the city were in poverty was correct, then we would require seven screening interviews in order to find one family that was eligible. Since a major portion of time even in studies where screening is not employed is spent in attempting to find respondents at home, and to establish interview times, we felt that screening procedures could not be employed. The second reason was that in an earlier study we had used this technique and found it ineffective.*

*In the Budget Management Study, carried out in 1967 in co-operation with the Canadian Welfare Council, the screening interviews indicated that all of the families would have incomes of $6,000 a year or less. In the interviews proper, when more time was available for rapport to develop, forty percent indicated incomes above $6,000.

A.4 It was decided that a more appropriate procedure would be to try to do our screening before beginning the interviewing. The Assessment Rolls of the City of Hamilton list the name and address of each family head in the city, with his occupation and the number in his family. If reasonably accurate estimates of income could be made on the basis of the occupations listed, we would be able to dispense with the screening interview, and still carry out a relatively small number of interviews with families who were not below the poverty line.

A.5 To make an estimate of how this would work, a sample of 150 names was drawn from Vernon's Street Directory, which lists occupations in approximately the same degree of specificity as the Assessment Rolls. It appeared that in about sixty percent of the cases a reasonably clear estimate of income could be made - not necessarily precise enough to determine whether or not a family was above or below the poverty line for its family size, but still precise enough to be useful. This seemed to indicate that the technique of estimating income from the occupations given in the City Assessment Rolls would be a useful one, but that it would be desirable to develop some other criterion of assessing the economic status of families to use with it.

A.6 Since the City Assessment Rolls provide the only reasonably up-to-date listing of families in the city which indicates both the size of the family and the occupation of the head, it appeared that any additional criterion we wanted to employ would have to be found in the same source, or in something easily related to it. Since the primary purpose of the Assessment Rolls is to indicate the value of housing for taxation purposes, it seemed that we should explore the possibility of using housing value as a second criterion.

A.7 It was recognized that, in itself, housing value would be an inadequate indicator of poverty. Unpublished material from the 1961 Census was available which related rental value of housing, family size and family income for Metro Hamilton. This indicated that if for any family size a rental value was set which would include three-quarters of the families in that size group who were in poverty, the same value would always include substantial numbers of non-poor families.*

A.8 But it did appear that housing value could be used as a principle of selection. We could set a value below which virtually all of the families in poverty could be expected to be found and draw our sample from families living in housing below this value.

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*The number of families who were not in poverty increased as the size of the family decreased.

This would save a good deal of time in doing the initial screening. Secondly, housing value could be used as a criterion of whether or not a family, which on the basis of occupation and family size might or might not be in poverty, should be included in the sample. That is, if an occupation for which the income was impossible to specify, for example, "salesman", came up, we could assume that, if the family was living in low value housing, it should be included in the sample. If not, we would assume it could be safely ignored.

A.9 We were able to use 1961 Census material to get an idea of the rental values below which we could expect to find poor families. In discussions with officials of the City Assessment Department, we were able to translate this into an assessed value rating, which would apply to both rented and owner-occupied dwellings. An assessed value of $2,500 was set as the upper limit below which we would select our sample. This included just under twenty-five percent of the dwellings in the city. (Using this procedure naturally raised the question of how much the sample would be biased in omitting poor people who lived in units assessed at more than $2,500. We will return to this question in our discussion of sample bias.)

A.10 Our sampling procedure, then, involved two steps. First, we obtained a computer printout from the City's assessment data showing the name, address, occupation and family size of every family head residing in a dwelling unit assessed at $2,500 or less. From this, we drew a systematic sample* of families and removed cases where the head's occupation and the number of children clearly indicated that the family was not in poverty. When there was any reasonable doubt, the family was included so as not to run the risk of biasing our sample of the poor.

A.11 It was difficult to estimate beforehand how often this would lead us to include a family which was not in poverty, but it appeared that this might occur in perhaps one-third of the cases. Had we wanted a sample composed entirely of people in poverty, this would have represented a significant amount of inefficiency. But it was decided that rather than aim to eliminate these errors, we should allow them to occur, and use these respondents for comparative purposes.

The Comparison Group

A.12 In considering the possibilities for comparison, we thought both of trying to obtain a general sample of the non-poor

*In systematic sampling every nth case from a list of possible respondents is taken.

and trying to obtain a more restricted sample drawn from families a short distance above the poverty line. The former would clearly have advantages in enabling us to compare the poor with the rest of society. But, on the other hand, a good deal of information was already available on the general population which could be used for this sort of comparison.

A.13 At the same time, it also appeared that we would be particularly interested in making comparisons between the poor and those not too far above the poverty line. We would likely be able to gain the greatest understanding of the effects of economic deprivation if we were able to examine what happened as income adequacy gradually rose from the very deepest of poverty up to the poverty lines and then beyond them for perhaps $1,500 or $2,000. Then, too, having a group fairly similar to the poor would make analysis possible that could not be carried out otherwise. Suppose, for example, we wanted to know to what extent educational differences would explain some of the other differences between the poor and the non-poor. This could be most effectively determined if, among the non-poor, there were a substantial number whose educational levels were similar to those of the poor. This way, we could see if those with the same level of education were alike. If not, then something other than education would have to be sought as an explanation. If, on the other hand, there were few cases in the non-poor sample with educational levels similar to those of the poor, this kind of analysis could not be carried out.

A.14 It will appear that these considerations do not argue so much for the type of comparison group we have obtained as for random sample of families just above the poverty line. But such a sample would have been very difficult to obtain. First of all, it would be difficult to identify this group. In the case of the poor, there was the advantage that some very common "occupational" categories were very likely to mean an income below the poverty line - "retired" and "housewife", for example. (Retired couples and single parent families make up over a third of the poor in our area.) But in the case of those just above the poverty line, there are no such frequent "sure thing" categories. Further, it would be more difficult to use housing value as an indicator because people above the poverty line could be expected to live in housing with a wider dispersion of values. Thus, a good sample from this group would be more difficult to obtain. If we wanted to avoid dropping cases in which we were not sure whether the family fitted our criteria or not, our interviewing would be much less efficient.

A.15 This led to considerations of cost. The extra inefficiency involved in getting a random sample of those just above the poverty line would place considerable strain on our limited budget. Even the additional costs involved in getting a computer printout listing

families living in dwelling units above an assessed value of $2,500 would have caused difficulties.*

A.16 The conclusive argument was that we had no effective way of reducing the number of cases above the poverty line in our main sample without running the risk of biasing the sample. This meant that if we were to try to get a random sample of those just outside of poverty, it would have to involve additional interviews, above and beyond the numbers required to obtain our main sample. In terms of time and cost, this was clearly not feasible, unless we reduced the size of our main sample. This we were not prepared to do.

A.17 In sum, we had little choice. We would have to use the cases which we obtained as a byproduct of obtaining our main sample. But, although this was not an ideal comparison group, we believed it could serve a useful function.

A.18 The extent of its usefulness, of course, would be determined by how representative it was of families near the poverty line. We could not specify in detail what the differences would be because, of course, we do not have data on the characteristics of families just above the poverty line. But some likely sources of distortion could be examined.

2. SAMPLING BIAS

The Comparison Non-Poverty Sample

A.19 The biases of our non-poverty sample can only be inferred from the criteria used in obtaining it. The two major potential sources of bias appear to be these:

1) no one in a dwelling unit assessed at over $2,500 is included;

2) no one whose occupation and family size would indicate clearly that he was not in poverty is included.

A.20 Most of the possible consequences of the $2,500 limit have been mentioned in Chapter 2. But more detail on the second possible source of bias may be useful.

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*$515 was required for the printout of those assessed at $2,500 or less, out of an initial budget of $1,500.

A.21 In Chapter 2, it was indicated that there were three major reasons why it might be unclear whether a family's earnings would place it above the poverty line. Each of them should be discussed in more detail.

a) Vague Statements of Occupation

A.22 A vague statement of occupation was relatively uncommon in the manufacturing industries. The only common case was "steelworker". Vague occupational titles were much more common among the service industries. The most frequent of these was "salesman". This would seem to suggest that our non-poverty sample might be biased in favour of families whose heads worked in the service industries. It is difficult to tell what this may mean, since, when occupations are vaguely stated, it is difficult to guess what sorts of people are holding them.

b) Experience

A.23 Including people in the sample because we did not know whether they had enough experience to earn an income above the poverty line was not expected, in itself, to bias the non-poverty sample.

c) Non-unionized Fields

A.24 Clearly, the effect of being unable to specify the minimum incomes in non-unionized fields, as well as in unionized fields, should tend to give us higher than chance proportions of families headed by people in non-unionized occupations. Since the manufacturing industries are more heavily unionized than the service industries, this factor should, like the first, tend to produce a higher than chance proportion of people in the service fields.

A.25 To put this in reverse, families whose income was clearly above the poverty line, no matter how little, were not included in the sample. In these cases, the occupation must have been relatively clearly stated. It must also have been clear that the minimum income in the occupation in question, no matter how much experience was involved, would be sufficient to bring the family above the poverty line. It would appear that these occupations would tend to be found more frequently in the manufacturing sector than the occupations in our non-poverty sample.

A.26 It was difficult to assess the importance of this because it was quite difficult to predict what the differences between families headed by people in the service industries and people

in manufacturing would be. Our approach to this was to check within our sample to see what differences were found. When significant differences occurred, we took these into account if we wanted to make a comparison between our poverty sample and our non-poverty sample.

The Poverty Sample

A.27 In Chapter 2, we have outlined our major conclusions on sampling bias. Here we would like to provide more detail on the effects of our $2,500 upper limit.

A.28 We had originally expected that about one-third of our respondents would be above the poverty line, but this did not prove to be the case. Almost half of our respondents were found to be above the poverty lines. Although a wife's occupation is supposed to be listed in the Assessment Rolls, in fact, this was not usually so. Thus, many families who would have been eliminated from the sample because it would have been clear that their combined incomes would be above the poverty lines were included.

A.29 A related difficulty was that dwelling units assessed at under $2,500 had an above average proportion of vacancies and non-family households. The result was that, while close to one-quarter of the dwelling units in the city were assessed at this level, only a little more than twenty percent of the city's families were living in them.

A.30 These two difficulties suggested that families under the $2,500 limit might include a smaller proportion of the city's poor than we had hoped. This concern was amplified by the discovery that there was within our sample no correlation between rent and housing quality. This caused us to wonder whether the fact that the distribution of income by family size we had obtained matched well with independent estimates really implied that we had drawn our sample from the whole range of families in poverty. While none of these factors by itself demonstrated that we had drawn our sample from a sharply truncated population, they certainly implied that we ought to examine whether this was so.

A.31 Accordingly, we decided to estimate the number of families in poverty in dwellings assessed at $2,500 and below. We knew the number of dwellings assessed in this range. In order to obtain our sample, we had had to examine every thirtieth dwelling to see if it contained an eligible family, then decide whether to interview the family. From this experience, we could estimate the proportion of the units assessed at $2,500 or below that contained a possible case of poverty. We knew from our interview data what proportion

of those we had interviewed were below the poverty line. In order to estimate the proportion of all of the families in our sampling universe who were in poverty, we were forced to make an educated guess about the families who were drawn for the sample but who were not interviewed. Our best judgement was that it should be assumed that they would be in poverty with the same frequency as those we interviewed. On this assumption, we were able to estimate the number of families among those eligible who were to be interviewed who were in poverty. It came to just under half of our estimate of the number of poor families in the city.

A.32 Perhaps more detail on our assumption that those we did not interview were as likely to be in poverty as those we did interview might be useful. There were two arguments against this assumption. One was that some of the families we failed to contact were difficult to reach because both parents worked. Families where both parents worked, of course, were less likely to be in poverty. The other argument thrust in the opposite direction. We knew that there were higher than chance numbers receiving Family Benefits and municipally administered benefits (other than General Welfare Assistance) among those we failed to interview.* On balance, it appeared that these two trends should approximately cancel each other out. Having no other information at our disposal, we opted for the simplest assumption - that those we had not interviewed were as likely to be in poverty as those we had. To the extent to which this assumption is incorrect, our estimate of the proportion of the city's poor families living in dwelling units assessed at $2,500 or less will be thrown out of line. This seems little reason, however, to suspect that it will be very far out.

A.33 The discovery that a very substantial proportion of the poor were not within our sampling universe, as we have indicated in Chapter 2, led us to try to determine more closely what biases might be present in our sample. The tests we applied have been discussed in Chapter 2. Here we would simply like to present more detail.

A.34 There are two major variables on which the details presented in Chapter 2 appear to be worth expanding - occupations and ethnicity. (The data on areas of the city presented in Chapter 2 is also worth expansion, but it appears that the additional detail presented in Chapter 3 is as much as is likely to be of interest.)

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*This was ascertained by sending administrators lists of the families we had been unable to interview, requesting the numbers then receiving services from them. Of course, names were not requested.

Occupations

A.35 In Chapter 2, we indicated that the occupational distribution of family heads was about the same among families living in units assessed at $2,500 or less as it was in the broader range from $3,500 down. Here we would like to show the strong similarities that existed for all of the major census occupational categories. Table A-1 presents the figures for six broad categories.

TABLE A-1

Occupations of Family Heads, by Assessed Value of Dwellings, in Percentages*

	Assessed Value	
	0-$2,500	0-$3,5000
Managerial, Professional and Technical	9	8
Clerical and Sales	9	9
Service and Recreation	3	5
Transport and Communication	12	10
Craftsmen, Production Process, and Related Workers	50	54
Labour	17	15
Total	100 (N=234)	100 (N=516)

*Uncodeable occupations are not included.

A.36 It will be seen that in no case is there an important difference. This underscores what was said in Chapter 2, namely that there is nothing here to suggest that our sample has been biased by the $2,500 cut-off point we used.

A.37 Similar results arise when we consider ethnicity. Table A-2 shows the ethnic distribution of family heads for families living in units assessed at $2,500 or less and families living in units assessed at $3,500 or less.

TABLE A-2

Ethnic Origins of Family Heads, by Assessed Value of Dwellings, in Percentages

Assessed Value	British	French	Italian	Other	Total
0-$2,500*	64	7	12	16	99
0-$3,500**	65	5	12	18	100

* N=299
**N=643

A.38 A downward shift can be seen for the French group. There is also a downward shift for the Italian group, but this is hidden by rounding. On balance, though, the ethnic distribution remains very similar. The differences in the proportions coming from the French and Italian groups have been noted in Chapter 3, where we discussed the ethnic origins of our sample. Otherwise, we have seen no reason to believe that our sample has been significantly affected by the small shift in ethnic origins we have found.

3. THE QUESTIONNAIRE

A.39 In Chapter 1, we indicated the kind of information we wanted to obtain. The questionnaire was designed to obtain it as efficiently as possible. Readers who would like to become familiar with the questionnaire in detail will find it in Appendix B. We will confine ourselves here to some general remarks on its organization and content, and the sources of the items within it.

A.40 Questionnaire items have been drawn from a variety of sources. About one-quarter, mainly concerned with family problems, housing difficulties, and the use of social services, were taken from questionnaires prepared for other Council studies. About ten percent were taken from the Canadian Welfare Council's study on Budget Management and its National Urban Low Income Family Evaluation. These mainly had to do with attitudes and money management. About the same number were borrowed from the Urban Renewal Study carried out in Hamilton's north end by Drs. Peter Pineo and Franklin Henry of the Department of Sociology at McMaster University. These had mainly to do with the quality of housing. Small numbers of items were taken from other sources. Around fifteen percent were standard items. The remaining one-quarter were new items prepared specifically for this study. Most of these, while new in the sense that they were not taken from other sources, were quite straightforward questions.

A.41 One of the advantages of employing a large number of items from other studies is that it facilitates comparison of the results of one study with those of another. Another advantage, in our particular circumstances, was that we did not have the time to develop and test large numbers of new items. Where new items seemed to be necessary, they were prepared, but where possible, we preferred to rely on items that had been used before.

A.42 Preference was also given to questions that could be pre-coded. Granted that volunteer interviewers would have to be used, it seemed advisable to avoid using too many open-ended questions, where more skill in probing for subtleties of meaning and recording them would be required. Thus more than nine-tenths of the items were pre-coded, and only about five percent seemed at all likely to give rise to extensive answers, whose subtleties would have to be recorded.

A.43 The questionnaire was organized on the premise that it ought to begin with emotionally neutral questions that no one would mind answering, then move gradually into areas that might be more emotionally charged, and then conclude with questions that were again quite neutral.

A.44 Thus, it began with a section entitled "Personal Background" in which questions on where the respondent was born, how long he had lived in Hamilton, how many children he had, and the like, were included. Then it moved through a series of questions on the neighbourhood in which the respondent lived into a rather lengthy section on "Recreation". Then came questions on "Shopping Practices", and another long section on "Housing". There was little in any of these sections that we anticipated anyone might become uncomfortable about.

Then came the two sections in which we expected there might be some respondents who would be uncomfortable. These were the sections on "Employment and Education" and "Family Problems". After these sections, we included a series of attitude questions and a final section of demographic questions.

A.45 In point of fact, little difficulty was experienced with any of the questions. Most respondents showed no offence at any of the items, and only a small number refused to answer specific questions. As happens in so many studies, the only question that seemed to bother any number of respondents was the one in which the family's annual income was requested.

A.46 An equally important question in evaluating the questionnaire is whether we obtained useful information. Here the picture is less clear. We have no independent data to assess the accuracy of the responses we received, although, with the exception of the question on family income, there is no reason to suggest that any number of respondents attempted to mislead the interviewers.*

A.47 Since most of the questionnaire is pre-coded, there was little scope for coding problems to arise once the interviews had been returned. The only group of questions with which we had difficulties were the attitudinal questions numbered 92(a) to 92(d). These questions dealt with the images people hold of public welfare and people who receive it. The proportion of respondents agreeing or disagreeing was almost constant across the sub-groups examined in our cross-tabulations. Respondents who qualified their answers, however, provided such a wide variety of qualifications that it would have been extremely difficult to categorize them. This rather odd combination of virtually constant proportions agreeing or disagreeing, together with a very wide variety of qualified answers, led us to wonder whether the questions were really getting at what we had hoped for. We chose to disregard the results of these questions. The only other question with which we had any real coding difficulty was number 41, in which respondents were asked to indicate the boundaries of the area they thought of as their neighbourhood. About one-third of the responses could not be coded, whichever of several systems we tried.

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*In only a small number of cases was there reason to doubt the incomes given. In some of these cases, we discarded the questionnaire. In others, we were able to determine the range in which the family's income was likely found although we could not be very precise about it. These responses were not used when a relatively reliable and precise estimate of income was required.

A.48 Some other questions proved of little use because there were not enough cases for the answers to be meaningful. Questions 71 through 76, through which we hoped to gain an insight into the employment experience of recent immigrants and internal migrants, are the best case in point. The same difficulty arose with a small number of other items.

A.49 There were, of course, a number of questions or groups of questions with which we had no real difficulty but which, if we were to do the study again, we would reword, or otherwise treat differently. None of these, however, appear to be of any great importance.

A.50 In sum, the items we used worked well. A few were impossible to code, some were ineffective because of the low numbers to whom they were applicable, and some could perhaps have been better handled otherwise. But the vast preponderance appear to have performed as intended.

4. INTERVIEWING

A.51 Perhaps this is the appropriate point to indicate how our interviews were carried out. Each interviewer was given a letter to be addressed, signed, and mailed to the prospective respondent two or three days before he planned to visit. The letter provided a brief explanation of the study, assured the respondent that his answers would be confidential, and indicated that the interviewer would be calling in the next few days.* Upon arrival, the interviewers were instructed to mention their names, the fact that they had sent a letter about the study, and the fact that the responses would be confidential.** Interviewers were provided with identification cards in case they were necessary.

A.52 The interviewing was organized by providing interviewers with brief lists of families to be contacted. Usually, the addresses were to be found within a few blocks of one another. On the mountain, where poverty cases are few, of course they were more widely scattered. Each of the volunteer interviewers was requested to complete one list of eight names, calling back at each address at least twice if the family was not home on the first visit. Later, when full-time interviewers were used, two or three lists were used simultaneously, so that if the families remaining on one list were not at home, there were others to move on to.

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* The letter is found in Appendix C.

**The complete interviewers' instructions are found in Appendix C.

A.53 As the interviewing progressed, it became necessary to draw additional names to compensate for families who could not be interviewed. These were drawn in the same fashion as the initial sample, with the exception that the sampling ratio for each ward was adjusted in terms of the number of families whom we had not been able to interview. That is, we did not allow the proportion of cases in each ward to be affected by subjects who moved, refused, or could not be located.*

A.54 While most published studies do not indicate the proportion of prospective respondents who have not been interviewed, data from those that have done so indicate that the attrition of our sample was essentially normal, or perhaps somewhat better than average. Of the 350 homes at which calls were made, sixty-five families, or nineteen percent, had moved and could not be located. A further thirty-four could not be contacted. It may be that in some cases the family had moved, but often it appeared that both parents worked and, accordingly, it was hard to find anyone at home. This accounted for another ten percent. Thus, 251 of the 350 families drawn were found at home. Of these, forty-nine, or twenty percent, refused an interview.** The remaining 202 were interviewed.

A.55 The only really unusual thing was the high proportion who had changed addresses. The average length of time between the close of the Assessment Rolls for a ward and the interviewer's call was approximately six months. Assuming the Assessment Rolls were accurate at the time of closure, one would have expected no more than ten percent of the respondents to have moved - certainly no more than fifteen percent. However, it is frequently pointed out that very low income families are likely to move often.

A.56 The reader will recall that in Chapter 1 we indicated that we hoped to obtain some 300 interviews, but, as we have just mentioned, we finally obtained just over 200. The reasons for this should be outlined. Because of budgeting difficulties, it was

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*No attempt was made to correct for differing rates of response within smaller areas than wards. We did keep track of the situation as interviewing progressed, and it appeared that, with one exception, sample attrition was not concentrated in any specific location within a ward. The exception was that families living on or around the Beach Strip appeared to be extremely mobile. No special correction had to be made for this because the poverty cases in Wards 5 and 6 are so strongly concentrated in the northern portions of the Wards that these cases were automatically replaced with others from the same general area.

**As a proportion of all families initially drawn, the figure is fourteen percent.

necessary to attempt to carry out as many as possible of our interviews with volunteers. It initially appeared that this was a reasonable approach. But somewhere between expressing an interest in participating in a study and actually doing so, something went wrong. Only some eighty interviews were carried out by people who had agreed to volunteer.* The dramatic reduction from the number of interviews that we had hoped to have completed by volunteers left us little choice but to commit all our available funds to paying professional interviewers.** In spite of this, however, we were forced to conclude the study with just over 200 interviews, 100 fewer than we had originally hoped for. This, of course, had implications for the kind of analysis we would be able to carry out.

5. ANALYSIS OF THE DATA

A.57 In this section, we would like to outline the procedures we have used to analyze the data.

A.58 In view of our sample size, it seemed best to begin our analysis by obtaining a series of basic cross-tabulations, and then, if advisable, to obtain more complex breakdowns. We began by obtaining cross-tabulations for distance from the poverty line and source of income. Then, because both of these factors were related to family income and the education of the family head, we obtained cross-tabulations for these. Since in many studies ethnicity is a useful explanatory variable, we obtained further tabulation for place of birth and nationality of origin. Then came two tabulations designed to check for biases in the data. Since about two-thirds of our respondents were women, we wanted to see whether we had obtained different answers from male and from female respondents and, if so, what this had done to our totals. The other was a tabulation within the non-poverty sample in terms of employment in manufacturing or in the service industries, for the reasons explained in the preceding section. Finally, once we had examined this data and developed a general picture of what we could learn about poverty in the city, we obtained a tabulation for different zones of the city, to see what differences might appear.

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* This includes interviews done by people who volunteered to do a number of interviews, and, when these were completed, agreed to do more on a paid basis.

**An additional $500, beyond our initial expected costs, was made available to us for this purpose.

A.59 All of this was done before any attempt was made to cross-tabulate in terms of more than one variable. Because of our sample size, we were concerned not to run the risk of wasting funds on unhelpful tabulations. It did appear, however, that it would make sense to carry through three double cross-tabulations - one for poverty status (in or out) and area of the city; one for poverty status and place of birth; and one for poverty status and education. We also obtained a number of other specific cross-tabulations.

A.60 Within this material, we looked for data relating to the questions outlined in Chapter 1 and for any other material of interest that might appear. Careful attention was paid to the possibility that what at first appeared to be a general characteristic of the poor might better be described as a characteristic of some smaller group - old age pensioners, immigrants who are below the poverty line, or some such category. Attention was also given to the possibility that some characteristic which did appear to distinguish the poor from the non-poverty sample or from the whole community might be explained by some other factor, for example, differences in education.

Analytic Constructs

A.61 As we have pointed out in Chapter 1, our study design is unique in combining interviews of the poor in all parts of the city with a definition of poverty involving family size as well as income. To deal with each of these differences, we have had to develop systems of classification. One of our classifications, that for income adequacy, was spelled out in Chapter 2. For those who are interested, we would like to spell out more precisely how the categories were defined.

A.62 In order to computer process the data, it was desirable to place family incomes into categories. This was done using intervals of $500 - $3,000-$3,499, $3,500-$3,999, etc. This meant that when the poverty line for any given category occurred in the middle of the category, the computer would have no way to determine whether the family was above or below the poverty line. Accordingly, income adequacy was measured in terms of how far the category in which the family's income fell lay above or below the category in which the poverty line fell, rather than in terms of how much its income differed from the poverty line. Since the poverty lines for different family sizes occurred in different places within their respective income categories, families of different sizes but equal distances from the poverty line were sometimes included in different categories.

A.63 This procedure naturally introduced a certain amount of "noise" into our analysis of differences in income adequacy. But since the poverty lines for the most frequent family sizes in our sample are clustered in the lower ranges of the $500 income intervals, this effect could not have been a very strong one. In any case, the "noise" effect is likely to be conservative. That is, it will tend to mask the relationship between income adequacy and other factors rather than to accentuate it. The tests for statistical significance found in the text should be read with this in mind.

A.64 Some readers may wonder why we chose to use a system focussing on absolute differences between a family's income and the poverty lines for its family size rather than on percentage differences. An argument might be made that any given difference in dollars in a family's income and the poverty line is going to be more serious when the family is smaller. This would suggest that a percentage system should have been used.

A.65 This problem was resolved when we discovered that there was little difference between the breakdowns obtained through the two different methods. As we have said in Chapter 2, they are, for all practical purposes, the same. Table A-3 shows the relationship between the results of the two methods.

TABLE A-3

Categorization of Families Using Absolute Distances from the Poverty Lines and Percentage Distances

	Percentage Distances					
Absolute Distances	Very Poor	Poor	Borderline	Near Poor	Moderate Income	Total
Very Poor	37	1				38
Poor	5	33	2			40
Borderline		1	29	1		31
Near Poor			2	37	3	42
Moderate Income					41	41
Total	42	35	33	38	44	192

A.66 It will be apparent at once that the relationship is extremely strong. More than ninety percent of the families are placed in the same category. None are placed more than one category from their original location. The relationship may be summed up by Goodman and Kruskal's G, which comes to .998.

A.67 In view of the strength of this relationship, it was an academic issue which procedure was theoretically preferable. We chose the system based on absolute differences because it was easier to set up for computing purposes.

Zones of the City

A.68 There is one other system of classification which will appear on a number of occasions in the report, with which the reader will not be familiar. This is our division of the city into zones.

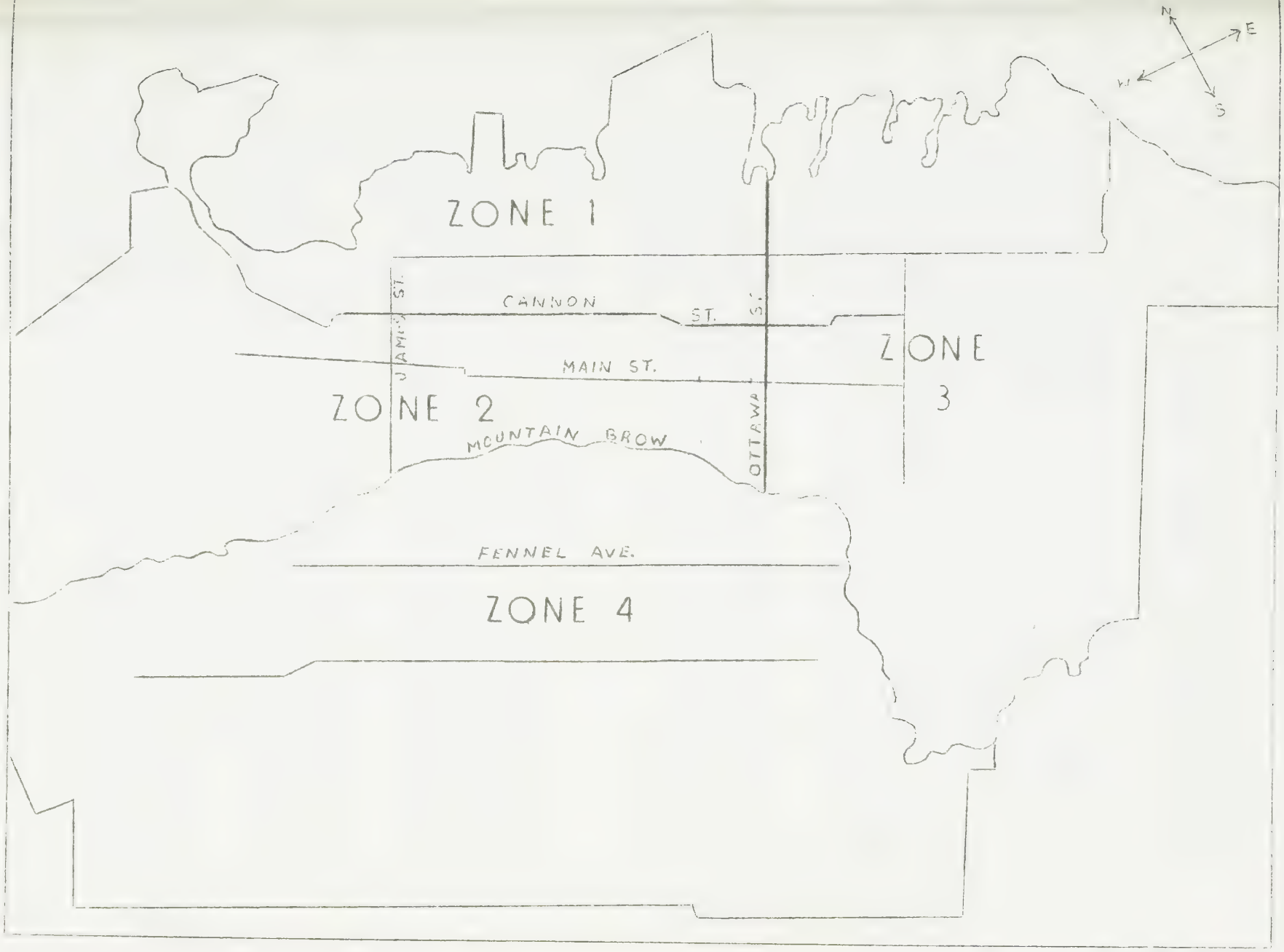
A.69 To see whether there were significant differences among areas of the city in the types of poverty they contained, it was necessary to break the city into zones. To make meaningful comparisons with a sample of our size, we expected that we would be unable to use more than four zones. As it happened, poverty appeared to be so strongly concentrated in one part of the city that even four was too great for proper comparisons. Yet, we chose to use four zones anyway, and to combine them for analysis.

A.70 A glance at the map on page A-19 will explain why. Zone 4 covers the entire mountain. Since this is a recently developed area, we wanted to keep it separate. Zone 1 is the area with the highest concentration of poor families. It covers the area west of Ottawa Street and north of Cannon Street. While its boundaries might have been modified, it could not be eliminated. The only question remaining then was whether to unify the rest of the city below the mountain. Since it appeared that there were differing concentrations of poor families in different parts of the lower city, we did not want to do this. Thus, we chose to divide it, leaving us with four zones.

A.71 The boundaries of Zone 4 are self-explanatory, and Zones 2 and 3 fell easily into place once Zone 1 had been defined. But Zone 1 will require some explanation.

A.72 In defining it, two major criteria were used.

1) The boundaries should correspond to boundaries within which other data are kept. Specifically, this meant that they should certainly coincide with census tract boundaries, and, if possible, with ward boundaries as well. This limited the choice of boundaries to main traffic arteries.



CITY OF HAMILTON SHOWING STUDY ZONES

2) The boundaries should be set so as to include only the areas within which the poor were most highly concentrated. This was to preserve the unique character of the area.

A.73 In this respect, the choice appeared to lie between Cannon Street and Main Street on the south, and Ottawa Street and Gage Avenue on the east. In the latter case, our preference was for Ottawa Street because it was a ward boundary. In the former, the decision was more difficult, because this criterion could not be employed. There was a difference in concentration, however. If the same proportion of the population between Main Street and Cannon Street were in poverty as were in poverty north of Cannon, the area between Main and Cannon would have included more families in poverty than were to be found in the whole of our present Zone 2. We decided then to use Cannon Street as the south boundary of Zone 1 to preserve it as an area containing the highest concentration of poor families.

A.74 This is not to suggest that the borders of the high concentration area are neat. Compared with the rest of the city, the area between Main and Cannon does have a high concentration of poor families. But since whatever line was chosen would have been arbitrary to a degree, it seemed that this was as good a choice as could be made.

Effects of Our Analytic Constructs

A.75 Since our study was unique in combining interviews with poor people throughout the city with a definition of poverty involving family size as well as income, the question arose of how much our findings would have differed had we used income alone in establishing our operational definition of poverty, or had we chosen to focus our attention on the area in which poverty was most strongly concentrated.

A.76 We will deal with the latter first. The differences between poor people in our sample who were living in Zone 1 and those who were living elsewhere should provide a general picture of how our findings would have changed had we taken all of our interviews within Zone 1, the area of high concentration.

A.77 As we have mentioned in our discussion of sampling biases, there are not a great many differences among poor people living in different areas of the city. Of the some 221 questions where a test of significant differences could be made, only nineteen yielded differences significant at the .05 level. This is only eight more than would be expected by chance.

A.78 On the other hand, some of the differences do seem to tell us something important. If, for example, we had used only respondents within Zone 1, we would have obtained higher proportions of recent immigrants and of the working poor. The first difference is easily understood, as Zone 1 has historically been the major immigrant settlement area of the city. The second flows largely from the first. It will be recalled from Chapter 3 that immigrants are relatively unlikely to be receiving public assistance. Recent immigrants are also unlikely to have reached the age of retirement. Thus, in an area with a high concentration of relatively recent immigrants, the proportion of the poor who are relying on wages and salaries is likely to be higher than elsewhere.

A.79 Another easily explained difference arises in housing. Families in Zone 1 were much less likely than others to be living in large homes converted to multiple occupancy or in apartments. Those familiar with the area will recognize that this is simply because the vast preponderance of available housing consists of single detached units.

A.80 The other important differences have been touched on in Chapters 4 and 5. Poor families in the North End visit significantly less often with friends. They are less likely to shop in supermarkets. They are also less likely to vote. (In the latter two cases, those within our sample who were above the poverty line showed the same pattern.)

A.81 Altogether then, while there are not a great many differences between poor people in Zone 1 and those in the rest of the city, there are some that seem to be important. These would have resulted in a somewhat distorted picture of poverty in our city had we relied on a sample from within Zone 1 alone. We would have overstated the number of recent immigrants and the number living in single detached dwellings. We would have overstated the number who relied on wages and salaries as their primary source of income. We would have understated the number who shopped in supermarkets and the amount of visiting carried on.

A.82 The question of definition is more complex. In this case, we cannot readily compare the results we have obtained with the results we would have obtained had we employed a simple income definition because many families who would have been in poverty, using the income approach, were automatically eliminated from our sample. Suppose, for example, that we had taken $5,000 as the cut-off point. From our estimated income by family size distribution, it would seem that around thirty percent of the families below this standard would be above our poverty lines. As has been indicated earlier, around eighteen percent of the families in poverty, by our income-by-family-size criterion, would not be in poverty if a simple $5,000 cut-off point was used.

A.83 We did obtain a number of families below the $5,000 line who were not in poverty by our income-by-family-size criterion, as a result of our inability to be certain what a family's income would be. These families make up only about ten percent of the families with incomes below $5,000 in our sample, rather than thirty percent, as they might in the general population.

A.84 While our sample does not permit a direct comparison between families in poverty under our definition and families in poverty under a simple income definition, it is possible to examine the differences within our sample to get a general picture of the kinds of differences the two approaches would yield. Let us attempt this, using a $5,000 upper limit as our alternate criterion.

A.85 The most obvious difference that appears is that large numbers of the working poor, according to our system, are removed from poverty. Virtually all of the families in our poverty sample with incomes above $5,000 were supported primarily by wages and salaries. But, on the other hand, we might expect most of them to be replaced. Families in our sample with incomes below $5,000 who are not below our poverty lines were, in the preponderance of cases, supported by wages and salaries. Certainly, the vast majority of families in the city with incomes below $5,000 rely primarily on these sources.

A.86 To look at it another way, we can determine from other sources the numbers of families at particular income levels in terms of their sources of income. We can also estimate the number of families with incomes below $5,000. This makes possible an estimate of what our sample might have looked like had we used a different definition of poverty.

A.87 From our estimated income by family size distribution for Hamilton in 1969, it appears that there should be just over one-quarter more families with incomes below $5,000 than there are families below our poverty lines. This implies that the percentage of poor families receiving public assistance could be expected to decline if a $5,000 criterion were employed. (Virtually all are below both poverty criteria.) The proportion relying on Mother's Allowance would be reduced from about one-sixth to one-seventh, and the proportion relying on General Welfare Assistance would be reduced from about one-eighth to about one-tenth. A decline would also take place in the numbers relying on the Old Age Pension, although it would be less pronounced. Some of this decline would be matched by an increase in families relying on Worker's Insurance Programs, but most of it would be matched by the increase in families relying on wages and salaries who would rise to almost one-half of the poor families in the city.

A.88 It also appears, although the evidence is not perhaps so clear, that the proportion of immigrants would increase. Within our sample, immigrants made up a greater than chance proportion of the working poor. The proportion of immigrants did not vary with income. This suggests, if it does not demonstrate, that an increase in the proportion of the working poor could be expected to increase the proportion of immigrants as well.

A.89 More generally, relying on an income criterion would sometimes change the relationship between income adequacy and other things. For example, there is a negative relationship in our data between our income adequacy standards and the frequency of visits with relatives. If we were to switch to a simple income measure, the relationship would become somewhat stronger (although not significantly so). Upon examination, it appears that the reason for this is that senior citizens, who very rarely fit into the lowest category of income adequacy by our system, would be much more likely to do so by the simple income approach. If we partial out the senior citizens, the relationship is somewhat stronger in our income-by-family-size approach. Another example might be the relationship with housing defects. In this case, the income-by-family-size approach gives the stronger relationship. This is primarily because, in the simple income approach, many senior citizens are found at the bottom of the scale. Yet they often have purchased their own homes over the years and kept them in good condition. Another factor is that welfare recipients, who tend to have poor housing, and in the income-by-family-size system rank near the bottom, will tend to rank somewhat higher in the simple income system.

A.90 Many other examples could be given of the kinds of changes that might take place if the definition of poverty were altered. It would be desirable to spell out these differences in more detail, but, in the nature of our sample, it is unwise to press the analysis too far. The examples we have given should illustrate the kinds of differences that may arise.

The Composite Cases

A.91 The general principles used in drawing up the composite cases were stated in Chapter 6. Here we would like to present more detail on how they were applied.

1. Occupations

A.92 Occupations were recorded in census categories. When we came to draw up the composite cases, we found the modal category for each group to be represented and selected an occupation

within it. Ordinarily, the category was Craftsmen, Production Process, and Related Workers. Within the category, we had to select an occupation which a) might be expected to provide the appropriate amount of income for a family of the median size within the category to be represented and which b) was, from those meeting the first criterion, one of the more common among families in the category. Where possible, we tried to select an occupation which was found in the modal census industrial category for the group to be represented.

2. Ethnic Origins

A.93 Only three ethnic groups provided more than ten percent of the poor people in our sample. These were the British, the French, and the Italians. We decided to provide our composite cases with names drawn from these three groups. Since the British were by far the largest group, they dominated most of the categories. But in the case of immigrants, they were out-numbered by the Italians and in the case of the recipients of Family Benefits, they were out-numbered by the French, although the French did not make up an absolute majority. While, in the latter case, we felt that it might be simply an accident of sample size that placed the French in the plurality, these two seemed the most appropriate categories in which to use French and Italian examples. Among the British examples, we selected randomly from English, Scottish, Irish and Welsh names.

3. Children

A.94 We had to be rather arbitrary in establishing the characteristics of children. Their ages were recorded only in five year categories. We had no way of telling, when there were problems in school, which of the children were involved. In each case, we had to select arbitrarily.

A.95 4. The careful reader will note that, on occasion, we present material in Chapter 6 which has no counterpart in preceding chapters. Sometimes this comes from questions whose results have not been reported. In a few other cases, we are relying on comments made to our interviewers which were not directly elicited through the questionnaire. For example, we remarked of the Michael Collins family that Michael has no life insurance. In no case have we used this kind of material where we had reason to suspect the particular characteristic in question was not a common one.

A.96 Most of the material in these composite cases, of course, was readily prepared. Income, expenditures, family sizes, and the like are readily quantifiable and easily recorded. Hence, we were able to use median figures easily, without the element of arbitrary judgement. We do not believe that the judgements we have made in other respects have, in any way, distorted the general picture we were trying to present. But the reader should be aware that some characteristics were chosen differently from others.

* * * * *

APPENDIX B

QUESTIONNAIRE

November 14, 1969

PERSONAL BACKGROUND

	Column	Code
1. How long have you lived in Hamilton?	6	

0. N.A.
1. less than a year
2. 1 year to not quite 5 years
3. 5 years to not quite 10 years
4. 10 years to not quite 25 years
5. 25 years to not quite 50 years
6. 50 years or more

2. How long have you lived here? (i.e. in the dwelling unit where the subject is now living.) — 7

0. N.A.
1. less than a year
2. 1 year to not quite 5 years
3. 5 years to not quite 10 years
4. 10 years to not quite 25 years
5. 25 years or more

3. Where were you born? (Circle number of response) — 8

0. N.A.
1. Hamilton (skip to question 4)
2. elsewhere in Ontario (skip to question 4)
3. Maritimes (skip to question 4)
4. Quebec (skip to question 4)
5. elsewhere in Canada (skip to question 4)
6. in the U.S.
7. in Britain (including Eire)
8. in Italy
9. in Poland
10. in Germany
11. in the Ukraine
12. in Scandinavia
13. in Hungary
14. in the Netherlands
15. elsewhere in Europe
16. in Asia
17. other

	Column	Code
3a. How long ago did you come to Canada?	9	

0. N.A.
1. up to a year ago
2. up to 5 years ago
3. up to 10 years ago
4. up to 25 years ago
5. more than 25 years ago

(Do not ask of those born in Britain or the U.S. If the subject has real difficulty with English, do not ask, but record 1.)

3b. When did you learn English? I mean well enough to get along in English when you needed to.	10	

0. N.A.
1. not yet
2. when I was over 60
3. when I was over 40 (but not yet 60)
4. when I was between 20 and 40
5. when I was between 10 and 20
6. when I was under 10

(Do not ask if subject has lived in Hamilton all his life. Record 1.)

4. How many different communities have you lived in? (for more than a year)	11	

0. N.A.
1. 1
2. 2-3
3. 4-6
4. 7-10
5. 10 or more

4a. Could you tell me the names of the communities? (Interviewer will record for later coding.)	12-13	

	Column	Code
5. Interviewer will record sex of respondent. 0. M. 1. F.	14	
6. What is your (husband's) occupation? (Coding to be done later.)	15, 16	
6a. What field (industry) do you work in? (Coding to be done later.)	17	
6b. (if not working) Why is that? 0. N.A. 1. disability 2. illness 3. can make more on public assistance 4. unemployed 5. can't find right kind of job 6. other (specify)	18	
7. Do you work yourself? (Does your wife work?) 0. N.A. 1. No (skip to question 7c) 2. Yes, full-time 3. Yes, part-time	19	
7a. What is your (her) occupation? (Coding to be done later.)	20, 21	
7b. What field do you (does she) work in? (Coding to be done later.)	22	
7c. (If single parent is not working.) Why don't you have a job? 0. N.A. 1. disability 2. illness 3. can make more on public assistance 4. unemployed 5. want to look after own children 6. can't find right kind of job 7. other (specify)	23	

	Column	Code
8. When were you married?	24	

0. N.A.
1. within up to a year
2. over 1 year up to 5 years
3. over 5 years up to 10 years
4. over 10 years up to 20 years
5. over 20 years

9. How many children have you had?	25	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

10. How many are living with you here?	26	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

11. How old are your children?	27	

a. 0-4	b. 5-9	c. 10-14	d. 15-19		
				28	
0. N.A.	0. N.A.	0. N.A.	0. N.A.		
1. none	1. none	1. none	1. none		
2. 1	2. 1	2. 1	2. 1	29	
3. 2	3. 2	3. 2	3. 2		
4. 3	4. 3	4. 3	4. 3		
5. 4	5. 4	5. 4	5. 4	30	
6. 5 or more	6. 5 or more	6. 5 or more	6. 5 or more		

	Column	Code
12. What is your (husband's) age?	31	

0. N.A.
1. up to 24
2. 25-34
3. 35-44
4. 45-54
5. 55-64
6. 65 or over

12a. What is your (wife's) age?	32	

0. N.A.
1. up to 24
2. 25-34
3. 35-44
4. 45-54
5. 55-64
6. 65 or over

13. Is there anyone else living here? (Besides your own family.)	33	

0. N.A.
1. Yes
2. No (Skip to question 15)

14. Who else lives with you? (Interviewer may record this if answer has been made clear earlier.)

	N.A.	Yes	No	Column	Code
a) parent(s) (+ unmarried children)	0	1	2	34	
b) married child (+ family)	0	1	2	35	
c) unmarried siblings	0	1	2	36	
d) other relatives	0	1	2	37	
e) others	0	1	2	38	

	Column	Code
14a. Do you help support any of these people? (Interviewer will record number.)	39	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

PERCEPTION OF NEIGHBOURHOOD

15. In general, how good would you say this neighbourhood is as a place to live?	40	

0. N.A.
1. Very good
2. Fairly good
3. Not so good
4. Not good

15a. What do you think of as the boundaries of your neighborhood? (Interviewer will record for later coding.)	41	
16. In general, how well do you like the people who live in this neighbourhood?	42	

0. N.A.
1. a lot
2. quite a bit
3. only a little
4. not at all

17. Do any of your relatives live in this neighbourhood?	43	

0. N.A.
1. Yes
2. No (Skip to question 18)

				Column	Code
17a. What relation are they?					
	N.A.	Yes	No		
1. parent(s)	0	1	2	44	
2. brother(s) or sister(s)	0	1	2	45	
3. cousin(s)	0	1	2	46	
4. uncle(s) or aunt(s)	0	1	2	47	
5. others	0	1	2	48	

18. How many people in the neighbourhood do you know by name? (other than relatives) — Column 49

0. N.A.
1. 0-4
2. 5-9
3. 10-14
4. 15-24
5. 25 or more

19. How many people in the neighbourhood other than relatives do you visit at home? (Either here or at their place.) — Column 50

0. N.A.
1. none
2. 1-2
3. 3-4
4. 5-9
5. 10 or more

20. How many people altogether (not just in the neighbourhood) do you visit regularly? (other than relatives) — Column 51

0. N.A.
1. none
2. 1-2
3. 3-4
4. 5-9
5. 10 or more

		Column	Code
21.	How far away do they live? (Check all applicable)		

	N.A.	Yes	No	Column	Code
1. within a block	0	1	2	52	
2. within 5 blocks	0	1	2	53	
3. within 10 blocks	0	1	2	54	
4. more than 10 blocks	0	1	2	55	

22. How often do your children have friends in to play or visit? 56

0. N.A.
1. never
2. less than once a month
3. 1-4 times a month
4. 5-9 times a month
5. 10-14 times a month or more
6. 15-19 times a month or more
7. 20 times a month or more

23. Sometimes people don't have their friends in as often as they would like to because they feel their house is too small or it isn't nice enough. Do you sometimes feel this way about this place? 57

0. N.A.
1. often
2. sometimes
3. rarely
4. never

RECREATION

24. When you (your family) go out, how often do you go to:

	Attendance					Column	Code
	N.A.	1/wk.	1/mon.	less often	never		
Relatives	0	1	2	3	4	58	
Visit friends	0	1	2	3	4	59	
Parks, playgrounds	0	1	2	3	4	60	
Bars, Taverns	0	1	2	3	4	61	
Movies	0	1	2	3	4	62	
Clubs	0	1	2	3	4	63	
Schools	0	1	2	3	4	64	
Bingo	0	1	2	3	4	65	
Sports events	0	1	2	3	4	66	
Recreation centres	0	1	2	3	4	67	

25. How much time did you spend watching T.V. last week? 68

0. N.A.
1. 0 hours
2. 1-5 hours
3. 6-10 hours
4. 11-15 hours
5. 16-20 hours
6. 21-25 hours
7. 26-30 hours
8. 31-35 hours
9. 36+

25a. Do you have a favourite type of program? (Circle up to three)

		Code
0. N.A.	69	
1. public affairs		
2. documentaries	70	
3. variety shows		
4. comedies	71	
5. dramatic productions		
6. detective and spy programs	72	
7. westerns		
8. movies	73	
9. sports		
10. travel programs	74	
11. other		
12. no favourite		

	Column	Code
26. How much time did you spend listening to the radio last week?	75	

0. N.A.
1. 0 hours
2. 1-5 hours
3. 6-10 hours
4. 11-15 hours
5. 16-20 hours
6. 21-25 hours
7. 26-30 hours
8. 31-35 hours
9. 36+

26a. Do you have a favourite type of program? (Circle up to three.)

0. N.A. — 76
1. public affairs
2. variety shows — 78
3. comedies
4. serial dramas — 79
5. hot line shows
6. musical programs — 80
7. household hint programs
8. swapping programs — 81
9. interview programs
10. sports
11. other
12. no favourites

27. How much time did you spend reading last week? — 82

0. N.A.
1. 0 hours
2. 1-5 hours
3. 6-10 hours
4. 11-15 hours
5. 16-20 hours
6. 21-25 hours
7. 26-30 hours
8. 31-35 hours
9. 36+

27a. What sort of things do you like to read? (Interviewer will record for later coding.) — 83, 92

	Column	Code
28. Do you have any hobbies you particularly enjoy?	93	

0. N.A.
1. Yes
2. No (skip to question 29)

(If necessary)

28a. Could you tell me what they are? (Circle numbers of responses) 94-98

0. N.A.
1. collections
2. arts and crafts
3. woodwork
4. electronics
5. sports
6. home improvement
7. needlework
8. knitting and sewing
9. gardening
10. other (specify)

29. Are there organizations or groups whose meetings you regularly attend? 99

0. N.A.
1. Yes (question 29a)
2. No (question 30)

29a. What kinds of organizations or groups are these? (Circle numbers of responses) 100-105

0. N.A.
1. service clubs
2. social groups
3. church groups
4. political parties
5. lodges
6. professional, business and union groups
7. voluntary social agencies
8. patriotic or ethnic societies
9. public affairs groups
10. sports groups
11. interest groups (i.e. study clubs, handicraft groups)
12. other (specify)

29b. How many are there whose meetings you attend? 106

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six or more

	Column	Code
30. In the last year, have you been an officer or committee member in any of the organizations or groups in which you participate?	107	

0. N.A.
1. Yes (question 30a)
2. No (question 31)

30a. Which ones? (Interviewer will record the total number.)	108	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six or more

31. Could you tell me about how much your family spends on:	109-114	

N.A.	
Movies	_____
Plays, concerts	_____
Toys	_____
T.V., radio, phonograph repairs	_____
Hobby supplies	_____
Reading material	_____
Eating out	_____
Club dues	_____
Sports	_____
Travel (for recreation)	_____
Other	_____

Interviewer will record total on a monthly basis.	115	

0. N.A.
1. zero
2. up to $20
3. $21 up to $30
4. $31 up to $50
5. $51-$75
6. $76-$100
7. over $100

	Column	Code

SHOPPING

32. Now we have a few questions about shopping. When you shop for most of your food, where do you usually go? — 116

0. N.A.
1. supermarket
2. corner store
3. other (specify)

33. Where do you go to buy most of your (your family's) clothes? (Interviewer will record for later coding.) — 117

34. About how much does it cost your family for food? (per month) — 118

0. N.A.
1. up to $25
2. $26-$50
3. $51-$75
4. $76-$100
5. $101-$125
6. $126-$150
7. $151-$200
8. $201 or more

34a. About how much does it cost your family for clothing in the fall? (Sept.-Nov.) — 119

0. N.A.
1. up to $25
2. $26-$50
3. $51-$75
4. $76-$100
5. $101-$125
6. $126-$150
7. $151-$175
8. $176 or more

	Column	Code

HOUSING

35. Do you rent, own or are you buying this house (apartment)? 120

0. N.A.
1. owned (Skip to
2. being bought (question 37
3. rented
4. leased

(If rented or leased)

35a. To whom do you pay your rent? 121

0. N.A.
1. private landlord
2. public landlord

36. How much rent do you pay per month? $_____ 122

Interviewer will use the following codes:

0. N.A.
1. less than $50
2. $50-$75
3. $76-$100
4. $101-$125
5. $126-$150
6. $151-$200
7. $201-$250
8. $251 and over

36a. Does the rent include any of these:

	N.A.	Yes	No		
a) installed cook stove	0	1	2	123	
b) refrigerator	0	1	2	124	
c) laundry equipment	0	1	2	125	
d) heat	0	1	2	126	
e) light	0	1	2	127	
f) garage	0	1	2	128	

	Column	Code
36a. cont'd...		
g) Furniture	129	
0. N.A. ____ 1. none ____ 2. part ____ 3. full ____		
h) Water (in R's premises)	130	
0. N.A. ____ 1. none ____ 2. cold only ____ 3. hot and cold ____		

(For renters, skip to question 38)

37. Do you have a mortgage?	131	
0. N.A. 1. Yes 2. No (Skip to question 38)		
37a. How much are your payments every month? (for all mortgages held)	132	
0. N.A. 1. up to $50 2. $51-$75 3. $76-$100 4. $101-$125 5. $126-$150 6. $151-$200 7. $201-$250 8. $251 and over		
38. How much does it cost you each month for utilities? (phone, electricity, water)	133	
0. N.A. 1. under $10.00 2. $10.00 to $19.99 3. $20.00 to $29.99 4. $30.00 to $49.99 5. $50.00 or more		

	Column	Code
39. How is this place heated?	134	

0. N.A.
1. no heating system
2. central heating
3. other (specify)

40. How much do you pay per month for heat? (in the winter)	135	

0. N.A.
1. under $10.00
2. $10.00 to $19.99
3. $20.00 to $29.99
4. $30.00 to $49.99
5. $50.00 to $74.99
6. $75.00 or more

41. How much does your property tax cost each year?	136	

0. N.A.
1. up to $50
2. over $50 to $100
3. over $100 to $150
4. over $150 to $200
5. over $200 to $250
6. over $250 to $300
7. over $300 to $350
8. over $350 to $400
9. over $400

42. How many rooms do you have (not counting the bathroom)?	137	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

42a. Interviewer will calculate persons/room.	138	

0. N.A.
1. less than 1
2. 1-1.49
3. 1.50-1.99
4. 2 or over

	Column	Code
43. How many of these rooms do you use for sleeping?	139	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

(For families with school-age children)

43a. Do the children have a place to do homework at home where they won't be bothered by anyone else?	140	

0. N.A.
1. Yes
2. No

44. How many of these conveniences do you have here? (Interviewer will record those made obvious from earlier questions.)

	N.A.	Yes	No	Column	Code
a) radio	0	1	2	141	
b) T.V.	0	1	2	142	
c) hot and cold water	0	1	2	143	
d) washing machine	0	1	2	144	
e) stove (gas or electric)	0	1	2	145	
f) refrigerator	0	1	2	146	
g) deep freeze	0	1	2	147	
h) bathtub or shower	0	1	2	148	
i) telephone	0	1	2	149	
				150	

(Ask only if dwelling unit is located above ground floor)

45. Is there an outside fire escape from this floor that you can use?	151	

0. N.A.
1. Yes (question 51)
2. No (question 45a)

45a. Are there two separate stairways from this floor to the ground floor, with two separate doors leading outside?	152	

0. N.A.
1. Yes
2. No

Column | Code

Interviewers will not ask Nos. 46-50, but will record after interview.

46. Type of building in which dwelling unit is located. 153

1. Single family detached
2. Duplex (side-by-side - semi-detached)
3. Duplex - detached (Two-four family)
4. Apartment building (walk-up)
5. Apartment building (elevator)
6. Row house
7. Garden apartment
8. House converted to multiple occupancy
9. other (specify) _____

47. Type of accommodation: 154

1. Whole house (skip to question 49)
2. Apartment suite
3. Room(s)
4. Other (specify)_____

48. Location of dwelling unit - if other than whole house: 155

0. N.A.
1. Basement
2. First floor
3. Second floor
4. Third floor
5. Fourth floor
6. Fifth floor or higher

49. In which room did the interview take place? 156

0. N.A.
1. kitchen
2. living room
3. dining room
4. other

		Column	Code
50.	Did you observe:		

	N.A.	Yes	No		
a) Substantial sagging of floor or walls	0	1	2	157	
b) Holes, open cracks, rotted, loose or missing materials over area equal to size of two hands or more of floor walls or ceiling.	0	1	2	158	
c) Deep wear merely, and/or minor holes, open cracks, etc.	0	1	2	159	
d) Broken, loose or missing stairsteps, railings, etc.	0	1	2	160	
e) Dwelling apparently free of any of these deficiencies	0	1	2	161	

51. What things do you especially like or dislike about this place? (Probe specific items not mentioned spontaneously.)

	N.A.	Like	Neutral	Dislike		
a) Rent or mortgage	0	1	2	3	162	
b) Upkeep	0	1	2	3	163	
c) Condition inside	0	1	2	3	164	
d) Condition outside	0	1	2	3	165	
e) Location (particular floor)	0	1	2	3	166	
f) Convenience of dwelling layout	0	1	2	3	167	

52. Generally speaking, how satisfied are you with this place? 168

0. N.A.
1. very satisfied
2. satisfied
3. dissatisfied
4. very dissatisfied

For your (family's) needs -

53. What kind of place do you think would be best to live in? 169

0. N.A.
1. single family dwelling
2. duplex
3. apartment building (small)
4. apartment building (large)
5. row housing
6. house converted to multiple occupancy
7. other (specify) _____

	Column	Code
54. How large a place would this be? (number of rooms)	170	

0. N.A.
1. one
2. two
3. three
4. four
5. five
6. six
7. seven
8. eight or more

54a. Interviewer will compare ideal accommodation with actual:	171	

0. N.A.
1. ideal larger by 3 or more rooms
2. ideal larger by 1 or 2 rooms
3. same size
4. ideal smaller by 1 or 2 rooms
5. ideal smaller by 3 or more rooms

55. Where would it be? (what part of town)	172	

0. N.A.
1. same area
2. different area
3. doesn't matter
4. uncertain

Record name of area for geographical coding_____	173	

56. How much would you expect to pay for such a place? (per month)	174	

0. N.A.
1. up to $50
2. $51-$75
3. $76-$100
4. $101-$125
5. $126-$150
6. $151-$200
7. $201-$250
8. $251 or more
9. don't know

	Column	Code

WORK AND EDUCATION

(Questions 57 and 58 concern the family head. If someone else is being interviewed, they will be rephrased appropriately.)

57. A lot of people today seem to be taking courses at night or by correspondence, or going to school part-time in the day. Are you doing this? — 175

0. N.A.
1. Yes
2. No (skip to question 58)

57a. What is the main reason you are taking this course? — 176

0. N.A.
1. general interest
2. upgrade education
3. prepare for a specific job (question 58a)
4. other (specify)

(Do not ask of respondents 60 years of age or over.)

58. Have you ever thought of getting training for a different kind of work from what you are trained for now? — 177

0. N.A.
1. Yes
2. No (skip to question 59)

58a. What sort of work have you thought of? (Interviewer will record for later coding.) — 178, 179

58b. Do you expect you will take (complete) training and get this job? — 180

0. N.A.
1. Yes (skip to question 59)
2. Unsure
3. No

58c. Why not? (Check the main reason) — 181

1. lack preparation
2. lack ability
3. too old
4. couldn't afford to go back to school
5. training not available here
6. lack motivation
7. not enough time
8. other (specify)

	Column	Code
59. If you were in school to-day, how far would you like to continue?	182	

0. N.A.
1. complete elementary school
2. some high school
3. complete high school
4. some university
5. non-university professional training (e.g. Teacher's College, nursing, C.A. training)
6. university degree

60. How far did you (your husband) go with your (his) education? (Refers to household head.)	183	

0. N.A.
1. no formal education
2. some elementary school
3. completed elementary school
4. some high school
5. completed high school
6. some university
7. non-university professional training (e.g. Teacher's College, nursing, C.A. training)

60a. How far did you (your wife) go with your education? (Refers to parent not head of household.)	184	

0. N.A.
1. no formal education
2. some elementary school
3. completed elementary school
4. some high school
5. completed high school
6. some university
7. non-university professional training (e.g. Teacher's College, nursing, C.A. training)
8. university degree

61. How much education would you like your children to have? (If a distinction is made between boys and girls, record for boys.)	185	

0. N.A.
1. complete elementary school
2. some high school
3. complete high school
4. some university
5. non-university professional training (e.g. Teacher's College, nursing, C.A. training)
6. university degree
7. up to them

	Column	Code
62. How much education do you expect they will get?	186	

0. N.A.
1. no formal education
2. some elementary school
3. complete elementary school
4. some high school
5. complete high school
6. some university
7. non-university professional training (e.g. Teacher's College, nursing, C.A. training)
8. university degree
9. up to them

63. What was your father's occupation at about the time he was your age? (Interviewer will record for later coding.)	187, 188	
64. How much education did he have?	189	

0. N.A.
1. no formal education
2. some elementary school
3. completed elementary school
4. some high school
5. completed high school
6. some university
7. non-university professional training (e.g. Teacher's College, nursing, C.A. training)
8. university degree
9. don't know

(Questions 65-73 refer to the family head. If someone else is being interviewed, they will be rephrased appropriately.)

65. When you were a child did your family ever go to a Welfare Department (relief) or another agency for financial help?	190	

0. N.A.
1. never
2. once
3. two or three times
4. more often
5. don't know

	Column	Code
66. At what age did you start to earn your own living?	191	

0. N.A.
1. under 15
2. 15-20
3. 21-25
4. 26-30
5. 31 or over
6. never worked

67. How many jobs have you had in the last 10 years?	192	

0. N.A.
1. more than 10
2. 5-10
3. 2-4
4. only 1

(For retired workers)

67a. How many jobs did you have between the time you were 55 and the time you were 65?	193	

0. N.A.
1. more than 10
2. 5-10
3. 2-4
4. only 1

(For those in the labour force less than 10 years.)

67b. How many jobs have you had?	194	

0. N.A.
1. more than 10
2. 5-10
3. 2-4
4. only 1

(Questions 68-70 should <u>not</u> be asked of immigrants who have arrived within 5 years.)

68. About how much of the time have you been unemployed since you first began to earn your own living?	195	

0. N.A.
1. never unemployed
2. unemployed less than 10% of the time
3. unemployed from 10 to 25% of the time
4. unemployed from 25 to 50% of the time
5. unemployed more than 50% of the time

	Column	Code
69. How many times have you been unemployed in the past 5 years?	196	

0. N.A.
1. never
2. once
3. 2 times
4. 3 or 4 times
5. 5 times or more

70. Have you ever received public assistance?	197	

0. N.A.
1. never
2. once
3. two or three times
4. four or five times
5. six times or more

(Questions 71-73 should be asked only of immigrants who have arrived within the last five years.)

71. How long had you been in Canada before you got your first full-time job?	198	

0. N.A.
1. less than one month
2. one to just under 3 months
3. 3 to just under 6 months
4. 6 months to just under a year
5. one year or more

72. Since you got your first job here, how much of the time have you been unemployed?	199	

0. N.A.
1. never unemployed
2. unemployed less than 10% of the time
3. unemployed from 10 to 25% of the time
4. unemployed from 25 to 50% of the time
5. unemployed more than 50% of the time

73. Are you working in a job that makes use of the training you had taken elsewhere?	200	

0. N.A.
1. Yes
2. No (If no, interviewer will record details.)

	Column	Code

(Questions 74-76 should be asked only of internal migrants who have arrived in Hamilton within the last five years.)

74. How long had you been in Hamilton before you got your first full-time job? — 201

0. N.A.
1. less than one month
2. one to just under 3 months
3. 3 to just under 6 months
4. 6 months to just under a year
5. one year or more

75. Since you got your first job here, how much of the time have you been unemployed? (Interviewer will estimate percentages.) — 202

0. N.A.
1. never unemployed
2. unemployed less than 10% of the time
3. unemployed from 10 to 25% of the time
4. unemployed from 25 to 50% of the time
5. unemployed more than 50% of the time

76. Are you working in a job that makes use of the training you had taken elsewhere? — 203

0. N.A.
1. Yes
2. No (If no, interviewer will record details.)

77. Could you tell me what your main source of income is? (Circle two if 2 of equal importance.) — 204, 205

0. N.A.
1. head of household - salary
2. head of household - wages
3. other earners
4. unemployment insurance
5. workmen's compensation
6. old age pension
7. welfare
8. other (specify)
9. refused to state

	Column	Code
77a. The card I am about to hand you lists a number of income groups. Would you tell me into which group your household income - before taxes - falls: (Circle number of responses)	206, 207	

0. N.A.
1. under $1,000
2. $1,000 to 1,499
3. $1,500 to 1,999
4. $2,000 to 2,499
5. $2,500 to 2,999
6. $3,000 to 3,499
7. $3,500 to 3,999
8. $4,000 to 4,499
9. $4,500 to 4,999
10. $5,000 to 5,499
11. $5,500 to 5,999
12. $6,000 to 6,499
13. $6,500 to 6,999
14. $7,000 to 9,999
15. $10,000 or over
16. refused to state
17. don't know

77b. Could you tell me what you expect it will be five years from now? (If necessary - assuming no changes in government policy and no unexpected changes in health of the income earners.) (Circle number of response.)	208, 209	

0. N.A.
1. under $1,000
2. $1,000 to 1,499
3. $1,500 to 1,999
4. $2,000 to 2,499
5. $2,500 to 2,999
6. $3,000 to 3,499
7. $3,500 to 3,999
8. $4,000 to 4,499
9. $4,500 to 4,999
10. $5,000 to 5,499
11. $5,500 to 5,999
12. $6,000 to 6,499
13. $6,500 to 6,999
14. $7,000 to 9,999
15. $10,000 or over
16. refused to state
17. Don't know

78. We have talked earlier about the amount it costs you for food and clothing and housing. The other big monthly expense in many families is time payments. Could you tell me about how much time payments cost you each month?	210	

0. N.A.
1. up to $25
2. $25-50
3. $51-75
4. $76-100
5. $101-125
6. $126-150
7. $151-200
8. $201 and over

	Column	Code
78a. What are these payments for? 0. N.A. 1. car 2. furniture 3. debt repayment 4. other 5. more than one of the above	211	

(Ask 79 only where at least one person is working full-time.)

79. How often do you put aside money for savings, apart from automatic payroll deductions? 0. N.A. 1. regularly, such as every month 2. often, but not on a regular basis 3. occasionally, no regular plan 4. seldom or never	212	
79a. Suppose you (your husband) had to go without work for a month, could you manage to pay your usual monthly expenses out of savings? 0. N.A. 1. Yes (skip to question 80) 2. Unsure 3. No	213	
79b. If you could not, what would you likely do? 0. N.A. 1. get welfare 2. get a loan 3. sell belongings 4. leave the debts unpaid till money was coming in again 5. other	214	
80. For yourself and your family how would you describe your financial need at the present time? Do you think you have enough income for the kinds of needs you have? 0. N.A. 1. Enough (skip to question 81) 2. Not enough	215	

	Column	Code
80a. How much more do you need? (per month) 0. N.A. 1. up to $25 2. $26-50 3. $51-75 4. $76-100 5. $101-150 6. $151-200 7. $201-250 8. $251 and over	216	
81. If the income of your family was increased by say $100 a month, what would you like to do with the added income? (Interviewer will record for later coding.)	217, 218	
82. If you were to start married life again, how many children would you want to have? 0. N.A. 1. 0 2. 1 3. 2 4. 3 5. 4 6. 5 7. 6 8. 7 9. 8 or more	219	
82a. Why would that be the number you would choose? (Interviewer will record for later coding.)	220, 221, 222	
(Do <u>not</u> ask in cases where wife is 45 years of age or over.)		
83. Do you regularly employ any method of birth control? 0. N.A. 1. Yes 2. No (skip to question 84)	223	

	Column	Code

83a. Here is a card listing some of the commonly used methods of birth control. Could you tell me the number(s) of the method(s) you regularly employ? (Circle numbers of responses.)

0. N.A.	224	
1. rhythm	225	
2. withdrawal		
3. the pill		
4. diaphragm		
5. jelly, cream, foam	226	
6. suppositories	227	
7. condom		
8. intra-uterine device		
9. douching		
10. abstinence	228	
11. other (specify) _____	229	

FAMILY PROBLEMS

84. Is everyone in your family covered for:

a) Hospitalization — 230

0. N.A.
1. Yes
2. No

b) Medical Service — 231

0. N.A.
1. Yes
2. No

85. When was the last time you went to the dentist? — 232

0. N.A.
1. within 6 months (skip to question 86)
2. 6 months to just under a year (skip to question 86)
3. one year to just under 2 years
4. two years to just under 3 years
5. three years to just under 5 years
6. 5 years or more

	Column	Code
85a. Why have you not visited him more recently?	233	

0. N.A.
1. cost
2. don't believe it would be useful
3. have dentures
4. haven't gotten around to it
5. dislike going to the dentist
6. other (specify)

86. When was the last time you went to the doctor?	234	

0. N.A.
1. within 6 months (skip to question 87)
2. 6 months to just under a year (skip to question 87)
3. one year to just under 2 years
4. two years to just under 3 years
5. three years to just under 5 years
6. 5 years or more

86a. Why have you not visited him more recently?	235	

0. N.A.
1. cost
2. don't believe it would be useful
3. haven't gotten around to it
4. dislike going to the doctor
5. other (specify)

87. Have you received visits from a Public Health nurse this last year? (including V.O.N. and St. Elizabeths)	236	

0. N.A.
1. Yes
2. No

88. Have any of the members of your family been sick in bed for more than a week in the past year?	237	

0. N.A.
1. No
2. 1 member
3. 2 members
4. 3 members
5. 4 or more members

	Column	Code
89. Have any of the children had any problems at school (Record for each child of school age.)	238, 239, 240, 241, 242, 243, 244	
0. N.A. 1. no problems 2. academic difficulties 3. behaviour problem in classrooms 4. other		
90. Has anyone been involved with the police?	245	
0. N.A. 1. no one 2. 1 family member 3. 2 members 4. 3 or more members		

91. Have you received any help in the past year from:

	N.A.	Yes	No	Column	Code
a) Family Service Agency	0	1	2	246	
b) Catholic Social Services	0	1	2	247	
c) Visiting Homemakers	0	1	2	248	
d) The Salvation Army, Harbour Rescue Mission, or the St. Vincent de Paul Society (Christmas hampers not included)	0	1	2	249	
e) the Dundurn Clinic	0	1	2	250	
f) a Children's Aid Society	0	1	2	251	
g) the Catholic Children's Aid Society	0	1	2	252	
h) Big Brother Association	0	1	2	253	

Column | Code

ATTITUDES

Now we have some opinions that people often hold. I wonder if you could tell us whether you agree or disagree with them. (If qualifications are added, interviewer will record for later coding.)

92. Tell me if you agree or disagree with the following statements about who are on relief.

a) People who go on relief become very dependent. 254 _____

0. N.A.
1. agree
2. disagree
3. qualified

b) Most people on relief get more than they could by working. 255 _____

0. N.A.
1. agree
2. disagree
3. qualified

c) People who aren't on relief look down on people who are. 256 _____

0. N.A.
1. agree
2. disagree
3. qualified

d) People don't like to be on relief. 257 _____

0. N.A.
1. agree
2. disagree
3. qualified

	Column	Code

The following is a series of statements used to describe people. Read each statement over carefully and then decide how closely it describes you and your present way of life, and circle the number which best describes your feelings.

93. I am doing things that make full use of my abilities. 258

0. N.A.
1. definitely agree
2. agree somewhat
3. disagree somewhat
4. definitely disagree

94. I am busy all the time. 259

0. N.A.
1. definitely agree
2. agree somewhat
3. disagree somewhat
4. definitely disagree

95. My income is fair and compares well with my friends. 260

0. N.A.
1. definitely agree
2. agree somewhat
3. disagree somewhat
4. definitely disagree

96. I am my own boss in deciding how I run my life. 261

0. N.A.
1. definitely agree
2. agree somewhat
3. disagree somewhat
4. definitely disagree

97. People respect me. 262

0. N.A.
1. definitely agree
2. agree somewhat
3. disagree somewhat
4. definitely disagree

		Column	Code
98.	I do many interesting things every day. 0. N.A. 1. definitely agree 2. agree somewhat 3. disagree somewhat 4. definitely disagree	263	
99.	Do you vote in national elections? (Or would you if of voting age?) 0. N.A. 1. Yes 2. No	264	
100.	Are generally interested in local (municipal and provincial) elections? 0. N.A. 1. Yes 2. No	265	
101.	Looking backward, did the last national election interest you? 0. N.A. 1. Yes 2. No	266	
102.	"In the long run, and with some rare exceptions, who gets elected, or doesn't, hasn't the slightest influence upon social welfare." Do you agree or disagree? 0. N.A. 1. disagree 2. agree	267	
103.	Today some people are talking about organizing groups of tenants or low-income people to try to get changes made in rental arrangements or government policies. What do you think of this? (Interviewer will record comments on page 35a for later coding.)	268, 269, 270	

RECORDING SHEET FOR QUESTION 103

	Column	Code
103a. Do you know anyone who is actually involved in this kind of effort?	271	

0. N.A.
1. No
2. Yes

CONCLUSION OF INTERVIEW

Well, that's just about everything. There are just a few more questions here of a factual kind.

104. What method of transportation do you (does your wife) use to go places where you (she) can't walk? (within Hamilton)	272	

0. N.A.
1. own car
2. taxi
3. public transportation
4. friend's or relative's car
5. more than one of the above commonly used
6. other

105. What is your nationality of origin? (Do not ask of immigrants.) (Circle number of response.)	273	

0. N.A.
1. British
2. French
3. German
4. Hungarian
5. Italian
6. Polish
7. Ukrainian
8. Scandinavian
9. Dutch
10. Other European
11. Asiatic
12. Other

106. Are you a member of a religious denomination?	274	

0. N.A.
1. Yes
2. No

	Column	Code
106a. Which denomination?	275	

0. N.A.
1. Anglican
2. Baptist
3. Greek Orthodox
4. Jewish
5. Lutheran
6. Presbyterian
7. Roman or Greek Catholic
8. United
9. other

106b. How often in a year's time do you attend religious services?	276	

0. N.A.
1. never
2. 1-10 times
3. 11-20 times
4. 21-40 times
5. over 40 times

107. Have you found the interview interesting?	277	

0. N.A.
1. definitely
2. fairly interesting
3. not very interesting
4. uninteresting

108. Were there any questions that bothered you, or that you thought were hard to answer?	278	

0. N.A.
1. Yes (Interviewer will record on separate sheet)
2. No

APPENDIX C

a) LETTER OF INTRODUCTION

b) INTERVIEWER'S INSTRUCTIONS

THE SOCIAL PLANNING AND RESEARCH COUNCIL
OF HAMILTON AND DISTRICT

D. O. CANNON, President
EDWARD J. PENNINGTON, Executive Director

TELEPHONE 522-1148
161 HUGHSON STREET SOUTH
HAMILTON 20, ONTARIO

The following letter was provided to all interviewers as a means of identification. Some slight variations where made in accordance with the identity of the interviewer.

STUDY OF FAMILY LIVING, 1969

Dear Householder:

The Social Planning and Research Council of Hamilton and District is currently carrying out a study of family living in Hamilton. We expect that the findings will be very important to us in recommending social policies to deal with urban problems.

Your family has been selected at random to be included in the study. One of our interviewers will be calling on you in the next few days. He has been carefully selected and trained for this work, and I am sure you will enjoy talking with him.

As in all studies of this kind, you can be sure that your answers will be completely confidential.

I should like to take this opportunity to thank you very much for your co-operation.

Yours truly,

Robert Arnold,
Research Associate.

RA:sk

INTERVIEWER INSTRUCTIONS

INTERVIEWING TECHNIQUES

The success of an interview rests on the ability of the interviewer to establish an atmosphere of trust and confidence. The most important factor in establishing this atmosphere is the ability to handle the interview in a courteous and straightforward manner.

1. The respondent should first be mailed a personally signed copy of the introductory letter, with which we will provide you. This lets him know that the survey is being carried out by a responsible organization, with identifiable personnel - not a phony sales organization.

2. While the introductory letter explains the survey in as much detail as the respondent will ordinarily want, it is a good practice to cover this material again when you introduce yourself at the door. Sometimes you will be invited in before you have covered everything, but ordinarily you should mention:

   a) your name, and the fact that you have sent them a letter about the study;

   b) that the study is being conducted by the Social Planning and Research Council;

   c) that it is focussed on family living in Hamilton (If the respondent seems to want more detail, you should tell him that it will cover such areas as housing, work, recreation, plans for the future, and things of this kind.);

   d) that the interview is confidential (This point should not be given too much emphasis. Unless the respondent raises the issue, to emphasize it is likely to cause suspicion.);

   e) that his family has been chosen as part of a random sample (If the respondent suggests that his family is not a typical one, it should be made clear to him that the only way to get a cross-section of people is to take a random sample and, further, that one of the objects of the study is to see what range of situations are found in Hamilton.).

3. You will be provided with an identification card from the Council. It is only very rarely that interviewers are asked to show them, but, to be safe, have yours with you when you go interviewing.

4. Try to conduct your interviews at convenient times. Ordinarily, the best time for beginning interviews in between 9:00 and 11:00 in the morning or, sometimes, between 1:00 and 4:30 p.m. Try not to begin an interview after 11:00 a.m. or 4:30 p.m., or you may cause difficulties with mealtimes. If it would be inconvenient for the respondent to give an interview at the time when you call, fix a later time which will be convenient for both of you.

5. While this is not really necessary, it is often helpful to give the respondent a copy of the questionnaire so that he can follow it as you go along. This helps to keep his attention on the interview, and gives him the feeling that he knows exactly what is going on.

6. The respondent's point of view must be respected. Some people will not give you accurate answers if they believe that others will be more acceptable (or less acceptable) or will make more sense (or less sense). If the interviewer neutrally accepts and records whatever the respondent says, this danger is minimized.

7. You will be provided with letters thanking the respondents for their co-operation. These should be mailed as soon after the interviews as possible.

RECORDING

The questionnaire has been set up with the intention of machine processing. Accordingly, in the vast majority of questions, the answers have been pre-coded. In a few other cases, the interviewer must write in an answer which will be coded later. There should be little difficulty in recording responses if the following rules are observed:

1. For each question the interviewer must indicate, either that the subject's response was such-and-such, or, that the question was inapplicable. For example, there is one group of questions, Nos. 71-73, which is only to be asked of immigrants who have arrived within the last five years. If you are interviewing someone who arrived in Canada three years ago, you record his responses. If you are interviewing someone who has been in Canada for longer than five years, you record in (a) for non-applicable in each case.

2. Responses are to be recorded in one of three ways:

   a) Ordinarily the number of the response is placed on the line opposite the question under the heading "Code". For example, suppose the respondent replies to question 1 that he has lived in Hamilton for 13 years. In this case, response No. 4 is the correct one. The numerial "4" should be placed on a line opposite the question, and opposite the number "6". (There is no need to worry about the numbers under the heading "Col.". These are to be used later in transfering the data to punch cards.)

b) Sometimes you will be instructed on the questionnaire to circle the number of the response. In this case, you do not record the number opposite the question. You simply circle the appropriate number. This has been done because we are not sure how we want to code the responses, and we will not know until we have seen what sort of responses we are getting. For example, in question 3, if a respondent replies that he was born in Germany, you circle No. 10; in Nova Scotia, No. 3, and so on.

c) Sometimes you will be instructed on the questionnaire to record the answer for later coding. In this case, you record the answer verbatim. We will determine how to code it later in the office. An example of this is question 6, in which we ask the respondent's occupation. Another is question 103, in which he is asked for his opinions on social action groups composed of low income people.

3. If there has been no response to a question, either because it is not applicable, or because the respondent does not know the answer, or prefers not to give it, you should record a "0" in the line opposite the question. Suppose, to return to the example we gave earlier, that you are interviewing a long-term resident of Canada; then, for questions 71-73, you will record zeros on the lines opposite the questions.

It should be mentioned that the letters NA which you will find beside the number "0" in each case are being used here in a double sense. They mean both "Not Applicable" and "No Answer received". This is because we ordinarily do not need to make a distinction between these two situations. Making the distinction where it was not necessary would take up space on the computer cards which can be better used. However, where we have felt that it is desirable to make the distinction, we have done so. For example, in question 77a, in which we ask for annual family income, we have included two other responses, "refused to state", and "don't know".

INTERPRETATION OF QUESTIONS

There may be occasional problems as to how to interpret some of the questions, or how to code some of the responses. When these arise, you can either call the office for assistance, or, if that is inconvenient, write in the actual answer without coding it, so that we can determine how to code it later. Some of these situations can be anticipated, however, and we have indicated what should be done with the more likely of these below:

Questions 8-12

Questions about the time of marriage and the number and age of children are complicated by common-law unions, re-marriages and adoptions. If in response to question 8, "When were you married?", a respondent indicates that they are not officially wed, you should ask "How long have you been living together?". In questions 9-11 common-law unions can be handled as normal marriages.

Re-marriages pose a complication because of their effect on the number of children. In the case of a re-marriage, question 9, "How many children have you had?", should be interpreted to refer to the respondent's latest marriage only. Questions 10 and 11, "How many are living with you here?" and "How old are your children?", should be taken to include all children living with the family, whether they are children of the current marriage, children of a previous marriage, or adopted children.

Questions 25a, 26a, 28a and 29a

In each of these questions, there is a long list of alternatives from which a number are to be chosen. Sometimes a respondent's answers may not seem to fit clearly into one of the categories. In this case, you should record them verbatim for us to code later. Suppose, however, that out of, say, three responses, two can be clearly put into categories, and the third cannot. In this case you should circle the numbers of the codeable answers in the normal fashion, and write the other out.

Questions 31 and 34

In a few questions, you are asked to record on a monthly basis something the respondent may prefer to calculate on a weekly basis. If, for example, in question 34, your respondent indicates his food costs on a weekly basis, you should multiply his estimate by 4-1/3 to get a monthly estimate. The same factor should be used in other conversions of weekly to monthly figures.

Question 42

In counting the number of rooms, count only portions of the house which are separated from floor to ceiling by permanent dividers.

Question 44

Occasionally you may find that a family has one of the conveniences listed here and it doesn't work. If this is the case, ask if they plan to have it fixed soon. If they don't plan to have it fixed within six weeks, indicate that they do not have that convenience.

Question 58

If the respondent is not trained for a particular type of work now, this question should not be treated as non-applicable. Rather it should be rephrased "Have you ever thought of getting training for any specific kind of work?".

Question 61

Sometimes a family will have different educational ambitions for different children. We have suggested on the questionnaire that where a distinction is made between boys and girls, you should record for boys. If there is more than one boy and distinctions are made among them, then a median amount should be used. If this cannot be done because a median would fall between two categories record the category with the next higher number, and write in that you have done this.

Question 65

You may run into cases where a family, for example, was on public assistance off and on over one winter, and the respondent is not sure whether to call this "one occurrence" or several. In this kind of case, periods on welfare separated by less than six weeks should be considered as a single period.

Question 105

Nationality of origin should be traced patrilineally.

BRIEF

TO THE

SPECIAL SENATE COMMITTEE ON POVERTY

VOLUME III

SUMMARY AND COMMENTS

Submitted by

The Social Planning and Research Council of Hamilton and District
153½ King Street East Hamilton, Ontario

A United Appeal Agency

November 5, 1970 PRICE 50¢

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RECOMMENDATIONS

BRIEF TO THE SPECIAL SENATE COMMITTEE ON POVERTY,

VOLUME II

1. More adequate family planning programs are needed.

2. Canada Manpower needs to find ways to make its training services more attractive and available to the poor.

3. Educational and training programs should be established that build upon foreign training and experience where the foreign training is not accepted here as equivalent to Canadian.

4. Public and voluntary agencies should give careful consideration to the report of the committee of citizens and agency people currently examining the needs and resources of Hamilton's North End.

RECOMMENDATIONS

BRIEF TO THE SPECIAL SENATE COMMITTEE ON POVERTY,

VOLUME I

The recommendations contained in this brief focus primarily on means which will improve conditions for those in poverty. We urge that governments at all levels explore through research and trial projects the means for eliminating poverty in Canada. All Canadians in need should receive the kind of help necessary to bring them beyond the poverty level through an uncomplicated mechanism that does not infringe on the dignity of the recipient.

SOCIAL WELFARE

1. Public assistance grants should not be below the poverty line, and there should be work incentives beyond the poverty line. At least until such time as grants are raised to the poverty line, additional money for public assistance is probably best spent in increasing the size of grants rather than in improving casework services. In no case should receipt of public assistance be dependent upon willingness to accept casework help.

2. The Province of Ontario should cease looking at social welfare as a program for community casualties only. It should adopt legislation making possible programs such as information services and other services for the entire community.

3. The Province of Ontario should pass legislation making it possible for the Province to take advantage of the Canada Assistance Plan in supplementing the incomes of those fully employed in jobs paying less than public assistance. It should also increase the amount that single parents receiving assistance and wishing to work may keep.

4. Public assistance programs at all levels should involve citizen committees and advisory boards on which representatives of recipients are included, and these programs should aim at increasing public appreciation for and understanding of public assistance through providing "community leaders" with opportunities to learn more about public assistance, through use of a program including going on home visits, with the consent of the clients.

5. All public assistance in Ontario should be provided through a single Provincial Department of Social and Family Services or through regional agencies with all operating functions, operating under regulations set down by a Provincial Department. There should be an adequate number of branch offices for accessibility, and public assistance workers throughout the area should be assigned caseloads in accordance with the degree and type of their training and experience. Scholarship help and leaves of absence should be available for public welfare staff wishing educational advancement and capable of utilizing it.

6. Various practices which tend to degrade recipients, such as taking license plates away, paying rent directly to landlords, holding interviews under unfavourable conditions, and asking recipients to be available for home visits over extended periods of time, should be eliminated wherever they occur. Control of client expenditure of money is appropriate only when the client is incapable of handling his money.

7. There should be programs to provide basic adult education for rehabilitation of persons who are not able to read or write at a minimally adequate level or who lack basic arithmetic skills.

8. There is need for more Canadian research in and by public assistance agencies.

HOUSING

9. The Federal Government should gather data about housing on a regular basis for central cities, metropolitan areas and provinces. The data should provide information about vacancy rates and quality of dwelling units, from a sample of all dwelling units, occupied and vacant, rental and otherwise.

10. The Federal Government should cease using housing as an economic regulator.

11. Appropriate levels of government should provide much more public housing and should take measures to increase the quantity of housing. Quantity of housing can be increased through more non-profit and cooperative construction and renovation made possible by low interest and/or no-interest long-term loans, loan guarantees, and grants. Stringent measures to counteract the inflation in land costs can be expected to increase quantity of housing even further.

12. Locally, a single department should be responsible for receipt of complaints related to quality of housing.

13. Quality of housing should be upgraded, using such approaches as tax holidays for improvement of substandard dwelling units and municipal trusteeship of such units.

THE ROLE OF SOCIAL PLANNING COUNCILS

14. As most programs require some degree of adaptation to local conditions, the Government should be aware of the social planning councils as a major resource in making these adaptations. The Government should take steps to make it possible for social planning councils to obtain Federal funds to carry out demonstration projects and to provide a continuing source for the kind of research information which they are in a unique position to supply.

15. Other social planning councils and voluntary agencies generally should become involved in assisting the organization of low-income citizen groups and in involving them more fully in existing organizations.

1. SUMMARY OF EARLIER BRIEF WITH COMMENTS

1.1 In our original brief, we pointed to the importance of looking at poverty in the Hamilton area because it is typical of areas of high industrial activity and can therefore be seen as exhibiting the kind of poverty one might expect in the future. We found that in 1969 between 15,00 and 16,000 families in Metropolitan Hamilton were living in poverty.

1.2 Utilizing the criterion that a family which has to spend 70% or more of its income for adequate food, clothing and shelter is in poverty, and assuming that public assistance grants are adequate to meet needs for food and shelter but not clothing, we set the following poverty lines for this area:

TABLE 1

POVERTY LINES FOR THE HAMILTON METROPOLITAN AREA IN 1969 BY FAMILY SIZE

Family Size	Amount
1	$2,200
2	3,200
3	4,100
4	4,800
5	5,600
6	6,300
7	7,000
8	7,700

1.3 We reported that in 1961, 17% of Hamilton area families were in poverty compared to 20% of Ontario families and 27% of Canadian families. Hamilton's lower rate is due to the fact of higher income levels associated with an industrialized, unionized area. By 1969, only 13% of the families in Metropolitan Hamilton were poor. As family size increases, so does poverty, till in the families of 8 or more persons over half are poor. Nevertheless, 3/4 of Hamilton's poor families have 5 or fewer members, and over 70% are headed by wage earners. Rates of poverty and of juvenile delinquency appear highest in an area of Hamilton known as the North End.

1.4 In our committee's original discussions, committee members expressed interest in focusing on public assistance and housing, feeling that these were areas of particular concern. In the case

of public assistance, recipients are, after all, our "certified" poor. Housing is such a serious problem in the Hamilton area that people felt that it would present especially difficult problems for the poor.

PUBLIC ASSISTANCE

1.5 Public assistance is handicapped by a negative public image. Not only many members of the general public but even public officials appear to have a low regard for recipients. Canadians regard receipt of public assistance from welfare departments in a different light from receipt of "public assistance" in other forms such as N.H.A. mortgages, family allowance, oil and mineral depletion allowances, etc. While evidence from the United States seems to indicate that fraud is much more common in the area of income tax payment than in public assistance, many people tend to see recipients of public assistance as cheats. Unfortunately, recipients of public assistance to some degree incorporate the attitudes that others hold toward them. People who have feelings of worthlessness are more apt to be incapacitated in overcoming their dependent condition.

1.6 The main shortcoming of public assistance in the Hamilton Metropolitan Area is the inadequacy of grants. It was recommended that were additional money to be invested in welfare programs they should be spent on higher grant levels rather than new staff because basic needs had to be met before recipients were apt to exhibit behavioural and attitudinal changes.

1.7 Our Brief recommended the consolidation of public assistance agencies - city, county and province - in the Hamilton area in order to eliminate the confusion that exists in the minds of potential recipients, to make possible a greater upgrading of staff, and to facilitate specialization of caseloads.

HOUSING

1.8 The tight housing market in Hamilton and District exists in spite of a tendency for the number of dwelling units to increase at a somewhat more rapid rate than population. Crowding, defined as a condition in which two or more families occupy one dwelling unit, declined between 1961 and 1966. Residential building starts have fluctuated markedly from year to year. While data on vacancy rates are not readily available in any comprehensive form, the vacancy rate in Hamilton in mid-1968 in single detached houses for rent or sale was only 1.7%; in apartments with 6 or more units, the vacancy rate for rentals was only 1.3% in 1969.

1.9 N.H.A. mortgages do little for low-income persons, with the typical borrower having an income in the $6,000 to 8,999 range. The cost of new construction in Hamilton has risen markedly, with the most spectacular increase coming in the cost of serviced land, which constitutes roughly 30% of the cost of land and house. The quantity of housing in the Hamilton area may be adequate with the development of C.M.H.C. - O.H.C. acreage on Hamilton mountain in this decade, but how much of this will be accessible to those of low income is another matter. Certainly, private developers are not able to create low-income housing.

1.10 In our earlier brief, we judged from various sources that rental costs for housing would be, typically, $100 for a low-income apartment and $125 for the cheapest house. The survey data reported in the Brief to the Special Senate Committee on Poverty, Volume II, will alter this estimate somewhat. In that study, it was found that the mean rental of poor families was between $86 and $94 per month.

1.11 In contemplating the reason for the difference between rentals estimated in our first submission and that found in our survey, we looked at the question of how many poor people in Hamilton live in dwelling units assessed at over $2,500. A large number of poor people living in such units might explain the variation. Our best estimate however, is that about 50% of the poor in Hamilton live in units assessed at $2,500 or less. Thus, rentals will fall between the $86 and $94 found in the survey data and the $100 to $125 cited in the earlier report.

1.12 In the initial Brief which we produced, our estimates on rent were largely arrived at through consultation with people in the real estate business. It appears that the discrepancy between the higher rents quoted in the first Brief and the lower ones found in the survey of low income families may exist because real estate people contacted are not involved in transactions related to the housing utilized by poor people. The rents actually paid by many of the poor and the frequent mobility of a sizeable minority among them suggest that a fairly large group are involved in the kind of shopping around and moving from place to place that is illustrated in the Pratt case* in the first Brief.

1.13 Public housing in the Hamilton area meets part of the need, and in fact Hamilton is well provided with public housing compared to other cities. However, the amount of public housing does not begin to meet the need for low income housing.

*Brief to the Special Senate Committee on Poverty. March 12, 1970, pp. 58-59.

1.14 While information about the quality of housing available to low income families is not readily available in a quantified form, one former worker for the Hamilton Public Welfare Department felt that from a fourth to a third of the dwelling units occupied by her clients had serious defects.

1.15 In order to create enough housing, especially for low income families, a variety of programs might be employed. In looking at cost factors, however, reduction of land costs and mortgage rates appear central. Both of these are amenable to governmental manipulation in a variety of ways. Land costs could be decreased by increasing amounts of serviced land available, by Government selling at below market, or by Government ownership, for example. There is also a need for much larger amounts of public housing.

1.16 Efforts must also be made to improve the existing stock of housing. Tax holidays for repairs to substandard dwellings and the possibility of municipal trusteeship for substandard dwelling units should be considered. The rentals recorded in the interview data and the extent of substandard housing suggests that it may be difficult to bring such housing up to standard and maintain them there on profits obtained from rents. This fact leads one to discount the slumlord as the prime villain responsible for slum conditions.

1.17 Senator McGrand asked for our view on demolition of old, sound buildings of two to four storeys in order to replace them with high rise apartments. In the first place, such a direction is inherent in high and increasing land costs. Where land costs make up a large part of final housing costs, there is a strong impetus to move to greater density. Socially, people are beginning to question the endless push in the direction of greater and greater density, however. Increasing concentrations of people are accompanied by increasingly serious problems of pollution and waste disposal, transportation, and availability of various amenities. These problems are especially marked when there is a sudden increase of population in areas originally designed for less intensive concentrations of people where services grew gradually to meet these less intensive concentrations. A thoughtful analyst of the housing scene comments as follows:

> The late Kenneth Soble, who, as the first chairman of the Ontario Housing Corporation was as close to being the father of public housing in Ontario as we have had, was firm about a principle - that public housing should not develop ghettos.

> He insisted, for the sake of both the tenants in the housing and for the project, public housing should be spread intermittently through the regular residential areas.
>
> In theory, this would mean that the people in the housing could hold their heads higher. There wouldn't be pockets of blight - which concentrated public housing developments tends [sic] to become - in the community.
>
> . . .
>
> In the current discussions of the housing program, a former speaker and staunch Conservative, David Morrow of Ottawa, complained that developments in public housing in the Capital were on the way to building slums. Because there was mass concentration.
>
> Other members protested about a development at Thunder Bay where allegedly families were being crowded into a high rise.
>
> There were two main elements causing this situation.
>
> One is the continually inflating cost of land. The higher land costs essentially mean ground space that can be economically allotted to each residential unit has been shrinking.*

1.18 More and more, thought is being given to planning that promotes new population centres rather than simply intensifying existing densities. Thus, the recent report** of the Regional Development Branch of the Ontario Department of Treasury and Economics calls for new spurts in population in places such as Barrie and Midland to the North and the Cobourg-Port Hope area to the East, a development counter to the trend for sprawl to occur outward from Toronto and in a westerly direction. How this proposal is to be implemented is problematical.

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* Don O'Hearn. "They are Becoming Slums," in Guelph Mercury, June 6, 1970.
The second factor he mentions is the construction by private builders, who wish to concentrate families as much as possible in order to maximize profits.

**"Design for Development: The Toronto-Centred Region," in Ontario Economic Review, vol. 8, no. 4, July-August, 1970, pp. 3-13.

THE ROLE OF SOCIAL PLANNING COUNCILS IN DEALING WITH POVERTY

1.19 Social planning councils are involved in dealing with poverty in a variety of ways, in areas of research and policy recommendations, in coordination of existing services, in assisting in the planning of services in the health and welfare field, and in other ways. A number of the reports and briefs of the Social Planning and Research Council of Hamilton and District are fairly directly pertinent to problems of the poor. Social planning councils often find it difficult to obtain funding for needed activities. Special studies that require extraordinary funding are difficult to implement because of the paucity of funding sources and the limited range of studies which these sources will fund. Besides the role of analysis of problems, the Social Planning and Research Council of Hamilton and District has recently moved to provide direct service to low income citizen organization, following the lead of the Conseil de Développement Social du Montréal Métropolitain.

3. NEW DEVELOPMENTS

2.1 Since our original Brief to the Special Senate Committee on Poverty, several events worthy of note have occurred in terms of actual program changes and in terms of commentary by observers, both official and from the fourth estate. We will begin by reference to public assistance.

PUBLIC ASSISTANCE

2.2 The first concern about public assistance raised by our earlier Brief related to attitudes toward recipients. We commented on remarks made by public officials and on attitudes that semed widespread in the community. Since that time, on June 16, 1970, the Victoria Park Community Welfare Association, an organization of welfare recipients, appeared before the Hamilton Public Welfare Board and requested permission to set up a table in the waiting room of the Hamilton Public Welfare Department to inform people of their rights and acquaint people with the Victoria Park group. The Board turned down the request, with two members of the Board in the minority. We are not here debating the merits of their decision. However, a senior official of the city government was reported to have said that he would consider granting the request "if the group would help the city by finding jobs for people now on welfare, and reporting names of people getting welfare who don't need it."* Unfortunately, such remarks tend to perpetuate false stereotypes about recipients of public assistance. One wonders if other, more affluent, citizen groups would be judged in similar terms.

2.3 On the issue raised by this senior official, in our Brief of March 12, 1970, we pointed out that "The bulk of public assistance recipients are the old, children, single parents, and the handicapped, with a very few employables."** We also examined what available date there were on the question of fraud, and we found that there was very little fraud among public assistance recipients.***

2.4 Provincially, public assistance recipients gained an increase in their grants, but these continue to lag well behind the poverty lines which we have calculated. Details of the new rates are shown in Table 2.

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* "Welfare Info Centre Rejected," in Hamilton Spectator, June 17, 1970.

** Brief to the Special Senate Committee on Poverty, March 12, 1970, p. 27.

*** Ibid., pp. 27-29.

TABLE 2

Ontario Public Assistance
Compared with S.P.R.C.
Poverty Line for 1969

Family Size*		Social Assistance	Equivalent in Earned Income**	S.P.R.C. Poverty Line***
1 person	(living alone)	$1,380	$1,630	$2,200
	(disabled)	1,560	1,844	
2 persons	(adults living in unheated premises, Southern Ontario)	2,448	2,912	3,200
2 persons	(1 child 0-9)	2,234	2,785	3,200
	(1 child 16+)	2,544	3,026	
3 persons	(2 adult, 2 children 0-9)	2,772	3,295	4,100
	(2 adults, 1 child 16+)	2,964	3,482	4,100
	(1 adult, 2 children 0-9)	2,664	3,167	4,100
	(1 adult, 2 children 16+)	3,024	3,553	4,100
4 persons	(2 adults, 2 children 0-9)	3,156	3,712	4,800
	(2 adults, 2 children 16+)	3,516	4,050	4,800
	(1 adult, 3 children 0-9)	3,048	3,572	4,800
	(1 adult, 3 children 16+)	3,576	3,885	4,800
5 persons	(2 adults, 3 children 0-9)	3,540	4,124	5,600
	(2 adults, 3 children 16+)	3,636	4,098	
	(1 adult, 4 children 0-9)	3,432	3,992	5,600
	(1 adult, 4 children 16+)	4,128	4,707	5,600

SOURCE: Ontario Department of Social and Family Services. A Brief Prepared for the Special Senate Committee on Poverty. May 25, 1970.

* Allowances for families of two to five persons are based on the pre-added budget of The Family Benefits Act plus rented, heated shelter at the maximum rate.

** Added to the basic allowance are amounts for income tax deductions at 1969 rates, contributions for unemployment insurance, and the Canada Pension Plan; Ontario Health Services Insurance Plan and Ontario Hospital Insurance at full rates. These figures will understate the value of public assistance in that no allowance is made for the free dental care provided.

***We do not calculate our rates differently for various age levels.

2.5 Hamilton has changed one policy about which we made a recommendation. Previously, we urged elimination of the practice of taking license plates from public assistance recipients. We understand that the practice was discontinued during the period in which our Brief was in process. This same policy is found in a number of localities, however. Recently, in response to complaints from organized labour, the Cornwall Welfare Department "has returned car license plates and ownership registration to unemployed workers on welfare."* Metropolitan Toronto also recently discontinued the practice of taking license plates.** We call this practice to the attention of the Special Senate Committee on Poverty because they will undoubtedly find it widespread. Similarly, we expressed concern about lack of privacy in the interviewing conditions at the Hamilton Public Welfare Department, and the Fyfe report on local government comments:

2.6 > It has been the Commission's experience in visiting municipal offices to witness persons having to discuss private and personal matters in reception areas or hallways, and in anything but private circumstances.***

Apparently, this condition is not unknown outside Metropolitan Hamilton.

PREVIOUS REPORTS OF THE SOCIAL PLANNING AND RESEARCH COUNCIL

2.7 In Appendix B to our earlier Brief, we include summaries of some previous reports related to poverty. Two instances of progress are worth noting. Since publication of the Brief, the Ontario Government has covered podiatry under the Ontario Health Services Insurance Plan (OHSIP), as recommended in our report on foot care. In addition, a Central Information Service is in process of development locally, thanks to initial funding by the Provincial Government, the City of Hamilton, and the Junior League. The Board of this new agency is currently in the process of hiring staff.

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* "License Plates Returned," in Ontario Welfare Reporter, vol. 17, no. 2, summer, 1970, p. 10.

** "Drop Welfare Policy on Taking Car Plates," in Toronto Globe and Mail, Sept. 11, 1970.

***Stewart Fyfe, Special Commissioner. Waterloo Area Local Government Review. Report of Findings and Recommendation. Toronto: Ontario Department of Municipal Affairs, February, 1970, p. 89.

4. SUMMARY OF INTERVIEW RESEARCH, WITH COMMENTS

3.1 From October, 1969, through February, 1970, the Social Planning and Research Council of Hamilton and District undertook a unique research project involving the interviewing of a systematic sample of family members of families living in dwelling units in the City of Hamilton assessed at $2,500 or less. The interview schedules were designed to provide information about poverty in Hamilton: who is poor? what are their living conditions? what are their attitudes and their way of life? how do they differ from those who are not in poverty? Calls were made on 350 homes, resulting in 202 interviews, 106 of which turned out to be from families in poverty by Social Planning and Research Council standards. Income sources and income levels by family size of the poor families interviewed were remarkably similar to independent estimates for the poor in Hamilton.

3.2 Respondents were divided into five categories: the very poor (at least $1,000 below the poverty line), the poor (averaging about $500 below the poverty line), borderline (straddling the poverty line and averaging $200 to $300 above it), the near poor (averaging about $1,000 above the poverty line), and moderate income (at least $1,500 above the poverty line and averaging about $2,200 above it).

3.3 Policy implications not previously discussed in the earlier Brief were relatively few, though several of the earlier ones were reinforced.

WHO ARE THE POOR?

3.4 Close to half the poor families in Hamilton live in the North End, an area bounded by the bay on the north, and west, by Ottawa Street on the east, and by Cannon Street on the south. Close to half the families living in this area are below the poverty line.

3.5 People born in Canada outside of Ontario (90% of them from east of Ontario) were over-represented among poor people in our sample. Immigrants were in about the same ratio to the poor population as to the total population, but fewer of them received public assistance and more were employed. People of French origin, usually internal migrants, were over-represented in our poverty sample.

3.6 Of our poor respondents, the major source of income for over 40% was wages and salaries. Another 20% relied on the Old Age Pension, while over 15% got Family Benefits and slightly under 15% got General Assistance. 10% received Workmen's Compensation or Unemployment Insurance.

3.7 Families headed by persons over 65 are half again as likely to be in poverty, compared to those with younger heads, and female-headed families are over 2½ times more likely to be in poverty than families with male heads.

3.8 Over two-thirds of the family heads in our poverty sample had less than grade 9 education, compared to less than half of the population aged 20 and over. Respondents from poor families were more likely to come from families where their father was a blue collar worker and where their father had less than a complete elementary education.

WHAT ARE THEIR LIVING CONDITIONS?

3.9 About 1/4 of poor families interviewed were less than $500 below the poverty line. Another 1/5 were from $500 to $1,000 below. The remainder were $1,000 or more below it. One quarter of the poor families in our sample had incomes over $5,000, and among families $1,000 or more below the poverty line, 40% had 6 or more members.

3.10 Families at different income adequacy levels have different priorities for what they would do if they had additional income. Among the very poor, over 2/3 of the responses to this question had to do with improved housing, clothing, and food. Only in the categories above the poverty line do a majority of families say that they have enough income to meet their needs, while in the poorest category 85% say that they do not. This pattern of responses provides support for the poverty lines established in our earlier Brief, which were established on the basis of a definition of 70% of the poverty line being equal to public assistance allowances for food, shelter and clothing plus the cost of clothing at retail.*

3.11 Our earlier calculations of a poverty line are thus reinforced by the subjective evaluations of our respondents. These poverty lines are also modest when looked at in other ways. The U.S. Department of Labor has developed a new Lower Living Standard Budget with which it might be compared. We use data for urban U.S. and for Buffalo, the closest U.S. point listed in the U.S. Department of Labor report.

*It was felt that the public assistance allowance for food, shelter, and clothing was in fact only adequate to meet costs of food and shelter.

TABLE 3

COMPARISON* OF S.P.R.C. POVERTY LINES
WITH LOWER LIVING STANDARD BUDGET
OF U.S. DEPARTMENT OF LABOR

	Urban U.S.	Buffalo	S.P.R.C.
Family of 2	$ 2,671**	$2,944**	$3,200
Family of 4	$ 5,915	$6,083	$4,800

SOURCE: U.S. Dept. of Labor Lower Living Standard Budgets for Family of Four and Retired Couple.

* Rates are quoted as if currencies were at par. S.P.R.C. figures are rounded to nearest $100, while U.S. figures are not.
**A retired couple.

The U.S. amounts are for an obviously modest living level. Some remarks from Department of Labor descriptive material will illustrate:

> The provisions of the lower standard are conservative. For example, food-at-home costs are based on the USDA low-cost food plan, widely used to estimate money allowances for food in public assistance programs.*

Shelter is limited to rental housing, for the four person family, with rental "based on the low third of the distribution of contract rents for all five-room, one-bath rental units" with "sufficient sleeping space, essential household equipment (including plumbing), adequate heat".** For the retired couple, rates are based on both owned and rented dwelling units. Rental units have 2 or 3 rooms and owned units 5 or 6 (no mortgage), with the rentals being in the lowest 1/3 of all units of that size meeting basic requirements

* Jean C. Brackett. "New BLS Budgets Provide Yardsticks for Measuring Family Living Costs," in Monthly Labor Review, April, 1969, p. 5.
**Loc. cit.

for health. Owned units average a cost of 12% less than the rented ones.* For both the retired couple and the family of four, "Clothing costs are based on replacement rates..."**

3.12 While the S.P.R.C. rate for a family of two is slightly higher than for the Lower Living Standard Budget for Buffalo ($128 per person), our rate for a four person family is considerably lower - over $320 per person ($1,283). At the same time, costs in the Hamilton area are considerably higher than in Buffalo on many items. A recent article*** in our local daily compared a variety of grocery items in two different A & P's, one in Hamilton and the other in Buffalo, and on virtually all items the U.S. prices were lower, in several cases by a considerable amount. The differences on items such as television sets and cars was also very marked. Thus, at the best, a family of two may be given a very slightly better break by our figures, while larger families are considerably worse off at our poverty line than on the Lower Living Standard Budget.

3.13 Respondents to the interviews did not differ on the basis of living level as to where they shopped for groceries, but North Enders were less likely to use supermarkets than other Hamiltonians. There are few supermarkets in that part of the city. The very poor are much less likely than others to shop for clothing in department stores and much more likely to rely on cut-rate stores or clothing shops operated by religious bodies.

3.14 As income adequacy decreases, families spend less per capita on food and more as a percentage of their income. As income adequacy decreases families spend less per capita on clothing but more as a percentage of their income. While there is no clear relationship between rent or mortgage payments and income adequacy, monthly housing costs take a much higher proportion of income among the lower income adequacy groups. Expenditures for food, clothing and shelter are consistent with the figures used in developing our poverty lines. Debt payments and recreation expenses per capita as a proportion of income are fairly constant over the income levels, but amounts for both increase with income. As income adequacy rises, savings increase very sharply. Unemployment becomes much more common as we move down the income adequacy scale.

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* Mary H. Hawes. "Measuring Retired Couples' Living Costs in Urban Areas," in Monthly Labor Review, November, 1969, p. 6.

** Loc. cit.; Brackett, op. cit., p. 6.

***Dave Proulx. "You're Paying More to Live Here," in Hamilton Spectator August 15, 1970. Higher costs were ascribed to such factors as regressive Canadian Federal taxes on many manufactured items, the large distances to sparsely populated places away from the bulk of the Canadian population along the border, the smaller market in Canada, and the need to advertise in two languages.

3.15 Throughout the various income adequacy levels surveyed, large families tended to have difficulty finding accommodation. The presence of obvious observable defects decreases as income adequacy rises. Such defects are more common in rented accommodation, more common among families headed by native-born Canadians, and more common among public assistance recipients than among others. Housing satisfaction is strongly related to the absence of these defects, and the families least likely to be satisfied with their dwelling units are renting, headed by native-born Canadians and welfare recipients. Families low in income adequacy are more likely than others to be deterred from having guests in by the size and/or condition of their homes.

3.16 Telephones, radios and washing machines are less likely to be found in the homes of families toward the lower end of the income adequacy scale. On the other hand, television, refirgerators, and hot and cold running water are as likely to be found there as elsewhere.

WHAT ARE THEIR ATTITUDES AND THEIR WAY OF LIFE?

3.17 Wives in families below the poverty line are less likely to work than wives in families above the poverty line. This does not apply so much among the working poor, but in families relying on Old Age Pensions, public assistance, or workers' insurance schemes, wives work only very rarely. The poorer families had more children than those who were better off and had more children living with them, but when asked how many children they would like if they could start over, there were no significant differences in terms of income adequacy.

3.18 The poorer families visited relatives and friends less frequently than did those who were better off. The poorer families attend bingo and sporting events slightly less frequently than those who are better off. Our poorer respondents listen to the radio slightly more than those who are better off. There were no significant differences in terms of income adequacy in the time spent reading or watching television. Our respondents' favourite programs on radio were diversionary, but substantial numbers chose news, public affairs, and hot line shows as favourites. For over half of our respondents, the newspaper was the only reading preference with any significant public affairs content. There were no significant differences in terms of income adequacy in the proportions of respondents who had hobbies.

3.19 Our poorer respondents were less likely than others to belong to organizations. There were no differences in church attendance in terms of income adequacy. Three-quarters of our respondents supported the idea of low income people's organizations. There were no significant differences among the income adequacy

groups in this respect. There were no significant differences in the percentage who said they voted in national elections among the income adequacy categories, but respondents in the North End were less likely to say they did so. There were no significant differences among the income adequacy categories in the percentages who believed that who was elected would not influence the development of social welfare.

3.20 Respondents in our zones 3 and 4, outside the North End and the adjacent downtown area, were more likely to think of their neighbourhood as a good place to live, but income adequacy levels did not seem to be a factor in such attitudes. Our poorer respondents appeared likely to be less interested in their daily routine. About 1/4 of our respondents, without respect to income adequacy, felt that their talents were not being fully used.

3.21 There is a very strong relationship between income adequacy and education. One eighth of the husbands we interviewed were currently upgrading their education. Another one-eighth said they thought they would take training to get a better job. An additional ten percent were uncertain. Our respondents showed no significant differences in terms of income adequacy as to how far they wanted their children to go in school, but poorer respondents expected their children to go less far. About 60% of all respondents would like their children to go to university. When asked how far they would go if they were in school today, our poorer respondents tended to give lower answers than those who were better off. And by their parents' reports, children from the poorer families were more likely to have problems in school.

3.22 There was a significant relationship between income inadequacy and the number of family members who had been sick in bed for more than a week during the past year. Families toward the lower end of the income adequacy scale were more likely than those who are better off to have had police contacts during the previous year. The poorer families were more likely than others to have made use of a social agency during the preceding year. And families who did have such contacts had very high rates of unemployment and very poor housing conditions. They were also much more likely to have made use of public assistance.

3.23 If, by a culture, we mean simply a distinctive way of life, then in Hamilton we have a culture of poverty. However, if we mean a distinctive pattern of beliefs and values, we do not have evidence to support the presence of such a culture.

IMPLICATIONS FOR POLICY

3.24 The poverty lines used by the Social Planning and Research Council are higher than an updated version of the lines used by the

Economic Council of Canada. Question may be raised as to which is the more appropriate. Because our poverty lines are based on conditions in the Hamilton area, it would be inappropriate to claim nation-wide applicability. But it may well be that they would be similar to lines that could be developed for other large urban centres.

3.25 We found people at our poverty line spending the 70% of income of which the Economic Council of Canada speaks on food, shelter, and clothing. We also found that only among those above the poverty line we set did a majority of respondents say they had enough income to meet their needs. The shopping patterns of poor people and others in our sample were so far as our study found, essentially the same, except for the very poor who made more use of cut-rate stores and used clothing shops. In short, our poverty lines held up well under their basic tests. Conversely, the Economic Council's lines, updated to 1969, fared less well.

3.26 The major deficiency of the poverty lines set down by the Economic Council comes in the treatment of large families. Our lines go up to $7,700 for a family of eight or more, while the Economic Council goes only to $5,060 for all families of 5 and more. It is obvious that a family of eight will be more expensive to maintain than one of five, and the low figure used by the Economic Council will therefore underestimate the figures on the number of people in poverty in Canada.

3.27 From the standpoint of policy, it is important to consider the extent to which poverty within the current economic framework is self-remedying and the extent to which further positive Governmental action is required. It appears that the Canada Pension Plan, if brought up to date for cost of living, will largely eliminate poverty among the aged, except for rare cases. Proposed changes in Unemployment Insurance will improve conditions for those suffering from short-term unemployment. There appears no relief in sight for those reliant on Workmen's Compensation. If increases in the minimum wage continue at roughly their current rate in the Province of Ontario, and if the economic growth rate continues at some place between 2 and 4%, poverty should decline significantly among the working poor. There is no immediate cause for optimism about raising those on public assistance from poverty, however.

3.28 The only large group unaffected by continuation of existing trends or by proposed changes in policy is that of public assistance recipients. However, the assumptions on which projections of improvement for other categories of the poor are made are not self-enacting. These require positive action on the part of the Government - in increasing minimum wages, enacting proposals on taxation and Unemployment Insurance, etc.

5. SOME THOUGHTS ON GUARANTEED ANNUAL INCOME AND OTHER PROGRAMS

4.1 In the recommendations we made in the original Brief to the Special Senate Committee, we state, "All Canadians in need should receive the kind of help necessary to bring them beyond the poverty level through an uncomplicated mechanism that does not infringe on the dignity of the recipient." After some consideration, it became apparent to us that in this statement we had appeared to have endorsed the concept of a guaranteed annual income. There have been two main forms suggested for a guaranteed income, the negative income tax and the demogrant.* We will look at both of these in due course, but first it is important to consider the feasibility of implementation of a guaranteed annual income program at this time.

POLITICS

4.2 Is a guaranteed annual income politically possible at this time? This surely is a key question. An examination of where the parties stand on the issue is therefore central. The Opposition, the Progressive Conservative Party, has apparently come out in favour of a guaranteed annual income. The smaller parties have also spoken. The New Democratic Party is strongly in favour and the Créditistes are also in favour, since it touches their basic economic theories. While the PC's have endorsed the concept, it is no secret that there is considerable difference of opinion on this matter within the party at all levels. Mr. Stanfield has been a voice within his party for guaranteed annual income.

4.3 Such is the situation with the opposition parties. What about the Government? On April 24, 1970, in response to a query from the Hon. Stanley Knowles (NDP - Winnipeg North Centre), Prime Minister Trudeau answered that guaranteed annual income is not Government policy.** On June 18, the Hon. John Munro, Minister of National Health and Welfare,

> ...told the Canadian Conference on Social Welfare that while he personally accepts the concept in principle, he believes it is presently impractical.***

4.4 In short, it appears that the Government is not prepared to accept the idea of a GAI at this time. A Government vitally interested in establishing such a program would undoubtedly find the present situation the critical moment for introducing legislation. The opposition parties are <u>all</u> committed to some form of guaranteed annual income. The Government can count on the leader of the Opposition for support of the principle, at least.

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* Some also add social insurance programs, but to the extent that people are covered who have not paid in the social insurance program becomes a demogrant program.

** Canadian Press. "Guaranteed Income Not Policy: PM," in <u>Hamilton Spectator</u> April 25, 1970.

***Spectator Wire Services. "Guaranteed Income Impractical: Munro," in <u>ibid.</u>, June 19, 1970.

FORM OF GUARANTEED ANNUAL INCOME

4.5 Either the negative income tax or demogrant form of guaranteed annual income (GAI) can serve to bring people beyond the poverty line. Neither pre-supposes a particular level of support. Our statement has suggested that the level of support be adequate to bring everyone beyond the poverty line as we have defined it. Both types of mechanisms have their strengths and weaknesses.

4.6 The negative income tax concept provides for payment by the Government to persons whose income falls below a given level. The level of payment may vary according to policy. Thus, the policy may provide for covering half the difference between level of poverty and actual income for three quarters of the difference, or for bridging the entire gap, for example. Difficulties that need to be met in this kind of program include the time gap between income declaration and receipt of the negative income tax and the fact of changing income levels during a year for particular families. A declaration of expected income for a coming year might in part meet this problem.

4.7 Like the negative income tax, the demogrant can be geared to various levels of support. It has the advantage over the negative income tax of not requiring consideration of income level of recipients, since by definition it goes to everyone in the target population. (A demogrant form of GAI would, thus, go to everyone in Canada.) It has the disadvantage of going to many more people than the negative income tax would. Allowing people to opt out of the demogrant program would in part help to lessen this disadvantage but would also tend to stigmatize the program for those who do not opt out. Taxing income earned at much higher rates would cut down on the increase in money put into circulation by the demogrant procedure.

COSTS

4.8 It is our estimate that to bring all Canadians to a level of income at the poverty line will mean an increase in all taxation of roughly 19%*. Since redistribution of income necessitates use of progressive taxation, and since increases, in corporate income taxes can be to some extent passed along to consumers, the major tool must be the personal income tax.** If we focus on this source of revenue for the funding of immediate increase of incomes for all Canadians to the poverty lines in Table 1, we are talking of an increase in personal income tax revenues of something in the order of 60%. The bulk of these revenues would have to come from those of higher incomes.

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* Based on 1967 D.B.S. figures on income by family size. We estimate the costs of such a program at something of the order of $3.5 billion.

**Perhaps some measures could be taken to tax foreign corporations somewhat more heavily, as private incomes beyond our borders, when filtered through holding companies, are relatively inaccessible to Canada.

4.9 The consequence of such taxation would be that, taking Metropolitan Hamilton as a closed system, there would be virtually no families with over $14,000 a year to spend. Since Metropolitan Hamilton is a relatively affluent community, the figure would be even lower for Canada as a whole.

4.10 While we feel it appropriate to move with deliberate speed toward bringing all Canadians up to the poverty line, we cannot at this time recommend a GAI at a level great enough to bring about such a result, because of the impact on investments, the uncertain effects on incentives, and the vigorous resistance that immediate implementation of such a policy would entail. Nevertheless, we do recommend adoption of a GAI, at a lower level. It appears that such a program would be virtually irreversible, just as today no one would serioulsy argue for abolition of family allowances or public schools.

TABLE 4

TAXES COLLECTED IN CANADA, 1968

	(Millions of Dollars)
Direct Taxes	$ 9,253
Personal	6,660
Federal	4,283
Provincial and Municipal	2,377
Corporate	2,593
Federal	1,932
Provincial	661
Indirect Taxes	10,021
Federal	3,764
Provincial and Municipal	6,257
TOTAL TAXES	$19,274

SOURCE: D.B.S. National Accounts - Income and Expenditure, First Quarter 1969 (June, 1969,

4.11 There must be a lower limit to the level of income support under GAI, however. President Nixon's proposals for something like a GAI with a level of support little more than half of inadequate poverty lines does not impress us as a forward step. Any GAI that does not at least equal the highest provincial payments for public assistance must be seen as without merit. That is the rock-bottom, from our point of view, of a GAI having positive virtue. If the GAI is below the poverty level, we would hope that it would include built-in increases over time to bring payments to levels substantially closer to the poverty line. Other Governmental policies could also be formulated for raising incomes, and it is toward some of those that we will now turn for brief comments.

EMPLOYMENT

4.12 We have noted that the bulk of people on public assistance are not employable. At the same time, it is true that as unemployment rates go up more and more employables are forced on to public assistance, and in fact lately the proportion of the population relying on public assistance in the Hamilton area, in Ontario, and throughout Canada has been soaring as a consequence of unemployment related to Government policies designed to curtail inflation. One measure that would assist in raising the income levels of those below the poverty line is increasing unemployment benefits, an area currently under discussion because of changes in pertinent legislation proposed for the Government by the Hon. Bryce Mackasey. Such benefits run the risk, however, of missing those people whose employment is so spotty that they are not entitled to benefits.

4.13 Another approach to employment policy would be to make Government the employer of last resort. Where a person could not find a job, it would be the obligation of the Government to provide work for him on request. Such a program has merit beyond income maintenance in that it enhances the self-respect of those who come under it. The guaranteed employment also assures accomplishment of work useful to the community.* At the same time, one would raise the question of level of payment, where payment is below the poverty line for the average sized family. The issue is already pertinent in relationship to employment now, for Government and for firms and private agencies and institutions performing work for Government at all levels. Obvious examples come to mind in such areas as hospital work and institutional kitchen help. Public welfare payments are universally below the poverty line, and public employment frequently is. Comments made in a U.S. examination

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*While some see welfare recipients as "loafers", it is noteworthy that in the only instance known to us in which work requirements are set for recipients of public assistance and where work was actually refused (in St. Lawrence County, New York), the jobs required to be done were unreasonable in terms of illness factors, weather conditions, and protective clothing available, and the men offered to perform other work.
Betty Mandell. "The Crime of Poverty", in Social Work, vol. 11, no. 1, January, 1966, pp. 11-15.

of public assistance are pertinent in Canada, both in regard to public assistance and in regard to public employment and employment in bodies reliant on contracts with Government at all levels:

> Public assistance payments are so low and so uneven that the Government is... a major source of the poverty on which it has declared unconditional war.*

Clearly, public assistance benefits need to be increased if public assistance programs are not superceded. And clearly also Government sets a bad example by paying substandard wages and salaries or contracting with Canadian firms, agencies, and institutions who do so.

INSURANCE PROGRAMS

4.14 The program of unemployment compensation insurance is under consideration, as has been pointed out. Canada Pension Plan benefits are due for a small increase, in 1971.** These programs will actually increase poverty unless amounts do better than keep up with increased cost of living, and they are currently falling behind. Workmen's Compensation in Ontario is not really geared to provide income adequate to support a family. The insurance concept of compensation takes inadequate consideration of changing costs of living, especially in the case of the death of the bread-winner. The concept of compensation should include within it the notion of compensation adequate to meet the needs of the insured and his family. Otherwise, it is an insurance of poverty.

MINIMUM WAGES

4.15 Minimum wages often result in family incomes below the poverty line. Economists argue among themselves as to the extent that substantial increases in minimum wages will worsen the situation of low income people by removing marginal enterprises from the market, but minimum wages in themselves cannot solve the poverty problem because of the factor of family size. In 1969, just under 1/4 of the families in poverty in Metropolitan Hamilton were composed of six or more persons. To bring a 6 person family beyond poverty, we are talking of something close to $3 per hour - more for larger families. If those economists are correct who do not fear a substantial decline in the number of employers if wages are increased solidly, an increase in minimum wages can solve part of the problem for the working poor, but only part.

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* Advisory Council on Public Welfare. Welfare Administration. U.S. Department of Health, Education, and Welfare. "Having the Power, We Have the Duty." Washington, D.C.: U.S. Government Printing Office, June 29, 1966, p. xii.

**"All Heart," in Toronto Globe and Mail, September 12, 1970, p. 6.

FAMILY ALLOWANCES

4.16 In the Hamilton area, a substantial increase in family allowances would have an impact on the close to 1/4 of the poor in large families (6 or more persons). If one compares what Canada spends on this program with what France spends, it is apparent that there would be nothing very extraordinary about payments substantially higher than the current ones.

TABLE 5

PERCENTAGE OF GNP PAID OUT IN FAMILY ALLOWANCES, 1965

Country	%
France*	4.1
Canada**	1.1

SOURCE: Department of Economic and Social Affairs. Statistical Office of the United Nations. Year Book of National Accounts Statistics 1968. New York, 1969, vol. 2.; Service de Presse et d'Information. Ambassade de France. The French Social Security System, n.d.; Alfred J. Kahn. Studies in Social Policy and Planning. New York: Russell Sage Foundation, 1969, p. 111; Quarterly Statistical Bulletin, vol. 2, no. 1, April, 1969 (Ottawa: Department of National Health and Welfare).

* Assuming GNP/National Revenue the same, 1962 and 1965.
**1965-6 fiscal year family allowance, family assistance, and youth allowance payments, 1965 GNP.

Family allowances in other Commonwealth countries tend to be a somewhat lower proportion of GNP than Canadian. Other Western European figures tend to be higher than Canadian but lower than the French.

TAXATION

4.17 One method of redistributing income is through the tax system. The tax system inevitably redistributes income in one way or another, especially in the ways it deals with exemptions and in the way in which it chooses its taxable base. Thus, a steeply graded income tax with little room for exemptions and exclusions tends to redistribute wealth to people of lower income, and the negative income tax of which we have spoken is a logical culmination of this principle. On the other hand, taxes applied at the point of sale or at the point of manufacture are apt to press inequitably, hitting hardest, percentage-wise, those with the least. It should be of some distress to people that, as is shown in Table 4, over half the taxes collected in this country in 1968 were collected through indirect taxation (generally, regressive taxation). Modifications moving from indirect to direct taxation reduce the financial burden on the poor.

4.18 The question of how to make the income tax more equitable is in general inseparable from the issue of the form which other income maintenance is to take. For instance, families earning too little to pay income taxes will not benefit from exemption provisions unless there is a negative income tax. One can also examine the possible exemptions with the thought in mind that some exemptions are more apt to be taken by the affluent than by the poor, and vice versa. For instance, taxation of capital gains will not hurt many poor people, but currently the lack of taxation on capital gains constitutes a regressive taxation burden on the poor.

4.19 It is unfortunate that the hue and cry raised throughout the country with regard to the Hon. Edgar Benson's White Paper on Taxation has expressed the concerns primarily of the affluent.

CONCLUDING REMARKS

4.20 The preceding discussion has covered somewhat lightly a large number of considerations. Much more can be and has been said about GAI, taxation, family allowances, etc. in other places. Fundamentally, however, we are looking at questions of some fairly basic values about how we feel people in this country should live and about the tolerability of the current size of gulf between the haves and the have-nots.

4.21 We are of the belief that now is the time to bring in the GAI. We recognize that it is costly, but we feel that the blot of poverty on our national escutcheon must be removed, and we believe that a start should be made. Increases in our gross national product should be funnelled into raising income levels of the poor, so that in as short a time as reasonably possible every Canadian will have enough money for a reasonable level of living.

4.22 The gap in spending at all governmental levels to bring all Canadians at least up to the poverty lines which we have established is $3.5 billion per annum. We have said that closing that gap immediately is more than we can expect. But, by sizeable, deliberate strides, using a variety of tools one of which should be some form of GAI, this gap can be narrowed and eventually closed. We, the Social Planning and Research Council of Hamilton and District, primarily concerned in the social welfare field, hope that Government might be able to realize these objectives. It would indeed be tragic if ten years from now this $3.5 billion gap (in constant dollars) or any really sizeable portion of it remained. The time to start is now.

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